

Số: 31/2018/CV-CBTT
No.31/2018/CV-CBTT

TP. Hồ Chí Minh, ngày 22 tháng 10 năm 2018
Ho Chi Minh City, 22 October 2018

CÔNG BỐ THÔNG TIN

INFORMATION DISCLOSURE

Kính gửi / To:

- Ủy ban Chứng khoán Nhà nước
The State Securities Commission
- Sở Giao dịch Chứng khoán TP.Hồ Chí Minh
Ho Chi Minh Stock Exchange
- Sở Giao dịch Chứng khoán Hà Nội
Ha Noi Stock Exchange

Công ty: **Công ty Cổ phần Chứng khoán TP.Hồ Chí Minh**
Name of Company: Ho Chi Minh City Securities Corporation

Mã chứng khoán: **HCM**
Securities symbol: HCM

Địa chỉ trụ sở chính: Tầng 5&6, Tòa nhà AB, 76 Lê Lai, P. Bến Thành, Quận 1, TP.Hồ Chí Minh
Headquarter address: Level 5&6, AB Tower, 76 Le Lai Str., Ben Thanh Ward, Dist., 1, HCM City

Điện thoại: (+84) 28 3823 3299 Fax: (+84) 28 3823 3301 Website: www.hsc.com.vn
Telephone: (+84) 28 3823 3299 Fax: (+84) 28 3823 3301 Website: www.hsc.com.vn

Người thực hiện công bố thông tin: Ông Johan Nyvene
Submitted by: Mr. Johan Nyvene

Chức vụ: Tổng Giám đốc
Position: Chief Executive Officer

Điện thoại cơ quan: (+84) 28 3823 3299 (ext: 333)
Telephone (office): (+84) 28 3823 3299 (ext. 333)

Loại công bố thông tin: 24 giờ định kỳ bất thường theo yêu cầu
Information disclosure type: 24 hours Periodic Irregular On demand

Nội dung thông tin công bố:
The content of information disclosure:

Hội đồng quản trị Công ty Cổ phần Chứng khoán TP. Hồ Chí Minh (HSC) trân trọng thông báo đến Quý cổ đông các nội dung sau:
The Board of Directors of Ho Chi Minh City Securities Corporation hereby announce the followings:



- Biên bản kiểm phiếu số 02/2018/BB-ĐHĐCĐ ngày 22/10/2018 và Nghị quyết Đại hội đồng cổ đông lấy ý kiến cổ đông bằng văn bản số 02/2018/NQ-ĐHĐCĐ ngày 22/10/2018.
Minutes of vote counting No.02/2018/BB-ĐHĐCĐ dated 22 October 2018 and Resolution No.02/2018/NQ-ĐHĐCĐ dated 22 October 2018 approved by the General Shareholders' Meeting in the form of written ballot.
- Nghị quyết Hội đồng quản trị số 23/2018/NQ-HĐQT ngày 22/10/2018.
Resolution No.23/2018/NQ-HĐQT approved by the Board of Directors on 22 October 2018.

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 22/10/2018 tại đường dẫn <http://www.hsc.com.vn/vn/investor/information-disclosure>

This information was disclosed on HSC webpage on 22 October 2018 and available at <https://www.hsc.com.vn/en/investor/information-disclosure>

Chúng tôi xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố.

We declare that all information provided in this paper is true and accurate; and that we shall be held liable for any misrepresentation

Người đại diện Công ty
For and on behalf of HSC



Johan Nyvene
Johan Nyvene
Tổng Giám đốc
Chief Executive Officer



Tài liệu đính kèm/ Attached file:

- Biên bản kiểm phiếu số 02/2018/BB-ĐHĐCĐ ngày 22/10/2018;
Minutes of vote counting No.02/2018/BB-ĐHĐCĐ dated 22 October 2018
- Nghị quyết số 02/2018/NQ-ĐHĐCĐ ngày 22/10/2018;
Resolution No.02/2018/NQ-ĐHĐCĐ dated 22 October 2018;
- Nghị quyết số 23/2018/NQ-HĐQT ngày 22/10/2018;
Resolution No.23/2018/NQ-HĐQT dated 22 October 2018;



MINUTES OF VOTE COUNTING
GENERAL SHAREHOLDERS' MEETING
HO CHI MINH CITY SECURITIES CORPORATION (HSC)

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 November 24th, 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-DHĐCĐ dated 26 April 2018;*
- *BOD Resolution No.19/2018/NQ-HĐQT dated 01 August 2018 approved to obtain shareholders' votes by written ballot for the adjustments of the share issuance plan to existing shareholders and the share issuance plan for HSC's ESOP;*
- *The Official Letter No.1141/2018-HCM/VSD-ĐK dated 05 September 2018 of the Vietnam Securities Depository – Hochiminh Branch on the list of shareholders who are eligible to take the rights;*
- *The written ballots were sent to HSC's shareholders,*

I. PARTICIPANTS OF VOTE COUNTING AND

1. Representative of the Board of Directors
Mr. Do Hung Viet – Chairman of the Board of Directors
2. The Vote – counting Committee and a representative monitors the vote-counting process
The Vote – counting Committee
 1. Ms. Truong Ngoc Quynh Tien
 2. Ms. Doan Thi PhuongA representative monitors the vote-counting process
Mr. Vo Van Chau – Head of the Board of Supervision
3. Secretariat
Ms. Than Thi Thu Dung

II. COMPANY PROFILE

- Company name: Ho Chi Minh City Securities Corporation (HSC)
- Head Office: Level 5&6, AB Tower, 76 Le Lai Street, Ben Thanh Ward, Dist.1, HCMC
- Phone: (+84 28) 3823 3299 Fax: (+84 28) 3823 3301 Website: www.hsc.com.vn

- License for Establishment and Operations No. 11/GPHĐKD dated 19 April 2003 issued by State Securities Committee of Vietnam and the Amendmended License No. 09/GPĐC – UBCK dated 02 March 2017 issued by State Securities Committee of Vietnam.

III. THE CONTENTS OF OBTAINING SHAREHOLDERS' VOTES BY WRITTEN BALLOT

At the FY 2017 Annual General Meeting of Ho Chi Minh City Securities Corporation (“HSC”) on 26 April 2018, the General Shareholders’ Meeting approved the share issuance plan to existing shareholders and the share issuance plan to HSC employees according to the Employee Stock Ownership Plan (ESOP). In view of the current market conditions and HSC’s capital needs, the Board of Directors decided to adjust the estimated number of issued shares, the expected time of issuance, as well as the capital using plan, and to submit those adjustments to The General Shareholders’ Meeting for approval.

The Board of Directors (“BOD”) of Ho Chi Minh City Securities Corporation (“HSC”) would like to submit to General Shareholders’ Meeting for respective approval of the adjustment of the share issuance/ offering plan for existing shareholders and the share issuance plan for HSC Employee Stock Ownership Plan (ESOP) adopted at FY2017 Annual General Meeting of Ho Chi Minh City Securities Corporation, referring to Article 12, Article 13 and Article 14 of FY2017 AGM Resolution No.01/2018/NQ-ĐHĐCĐ dated 26 April 2018. The Board of Directors of Ho Chi Minh City Securities Corporation would like to submit to General Shareholders’ Meeting for respective approval the following contents:

- Share issuance for existing shareholders using capital resources of owners’ equity to increase charter capital (issuance of bonus shares)
- Share issuance offering to existing shareholders
- Share issuance for employee stock ownership plan (ESOP)

IV. PRINCIPLE AND RESULT OF VOTE COUNTING

1. Principle of vote counting

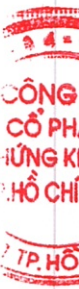
- The written ballot is considered valid in the following cases:
 - + Sent by HSC, signed by Chairman and Legal Representative and affixed stamp by HSC;
 - + Signed by the shareholder (*if the shareholder is an individual*), signed by the authorized representative or the legal representative and affixed company stampe (*if the shareholder is an institution*);
 - + Marked only one of three boxes of one of the above contents;
 - + Torn, modified, erased or marked;
 - + Sent to HSC before 16:30 - Thursday, 18 October 2018, at the time receiving it by post, fax or via email;
 - + Put in sealed envelope or not opened prior to the vote counting in case of sending by post or kept confidential in case of sending by mail or by fax;

- The written ballot is considered invalid in the following cases:
 - + Not sent by HSC, not signed by Chairman and Legal Representative and not sealed by HSC;
 - + Not signed by the shareholder (*if the shareholder is an individual*), not signed by the authorized representative or the legal representative and not affixed company stamp (*if the shareholder is an institution*);
 - + Marked two or more boxes of one of the above contents;
 - + Not marked any boxes, the shareholder still signs and leaves his/ her signature and affix company stamp (*in case the voter is an institutional shareholder*);
 - + Torn, modified, erased or marked;
 - + Sent to HSC after 16:30 - Thursday, 18 October 2018, at the time receiving it by post, fax or via email
 - + Not put in sealed envelope or opened prior to the vote counting in case of sending by post or not kept confidential in case of sending by mail or by fax;

2. Result of vote counting

2.1 The written ballots

- Up to 16:30, 18 October 2018, the Company's charter capital registered according to the regulation was of VND1,297,567,580,000, equivalent to 129,756,758 shares; in which, the voting capital was of VND 1,295,541,680,000 equivalent to 129,554,168 shares (*as eliminating 202,590 treasury shares hold by the Company*). Therefore, the GSM would vote based on the capital of VND 1,295,541,680,000 equivalent to 129,554,168 shares.
- Total number of shareholders having the voting rights at the record date (31 August 2018) were 3,538 shareholders, representing for shareholders holding 129,554,168 shares, equivalent 100% of total voting shares;
- Total number of written ballots were sent to the shareholders: 3,538 written ballots, equivalent 129,554,168 shares, holding 100% of total voting shares;
- Total number of the filled written ballots were returned to HSC: 179 written ballots, equivalent 114,980,094 shares, holding 88.75% of total voting shares;
In which:
 - + Total number of valid written ballots: 175 written ballots, equivalent 114,972,294 shares, accounting for 88.74% of total voting shares.
 - + Total number of invalid written ballots: 04 written ballots, equivalent 7,800 shares, accounting for 0.0060% of total voting shares.
- Total number of written ballots were not voted: 3,359 written ballots, equivalent 14,574,074 shares, accounting for 11.25% of total voting shares.
- The written ballots which were chose "Abstention" box, invalid and returned to HSC due to many reasons shall be considered as "Abstention".



2.2 Result of vote counting

Content 1: Share issuance for existing shareholders using capital resources of owners' equity to increase charter capital (issuance of bonus shares)

	Total number of voting shares	%
For	77,472,294	59.80
Against	0	0
Abstention	52,081,874	40.20

The General Shareholders' Meeting approved the share issuance for existing shareholders using capital resources of owners' equity to increase charter capital (issuance of bonus shares) with votes in favor accounted for 59.80%.

Content 2: Share issuance offering to existing shareholders

	Total number of voting shares	%
For	77,318,894	59.68
Against	153,400	0.12
Abstention	52,081,874	40.20

The General Shareholders' Meeting approved the share issuance offering to existing shareholders with votes in favor accounted for 59.68%.

Content 3: Share issuance for employee stock ownership plan (ESOP 2018)

	Total number of voting shares	%
For	72,612,120	56.05
Against	4,856,654	3.75
Abstention	52,085,394	40.20

The General Shareholders' Meeting approved the share issuance for employee stock ownership plan (ESOP) with votes in favor accounted for 56.05%.

V. RESOLUTIONS APPROVED BY GENERAL SHAREHOLDERS' MEETING IN THE FORM OF WRITTEN BALLOT


Based on the twelfth amendment of HSC Charter according to the AGM Resolution No.01/2018/NQ-ĐHĐCĐ dated 26 April 2018, a resolution of the General Shareholders' Meeting shall be passed when it is agreed by a number of shareholders representing at least fifty-one (51) per cent of the total votes. As a result, the General Shareholders' Meeting of HSC approved the following contents of obtaining shareholders' votes by written ballots:

- Share issuance to existing shareholders using capital resources of owners' equity to increase charter capital (*issuance of bonus shares*)
- Share issuance offering to existing shareholders
- Share issuance for employee stock ownership plan (ESOP 2018)

The vote – counting process ended at 10:00 on the same date. The vote – counting committee commits to carry out the vote – counting honestly and accurately.

The Minutes is made at 10:00 on 22 October 2018. The Minutes is made two (02) copies which are the same contents and legal validity. The Minutes is attached to the General Shareholders' Meeting Resolution in the form of written ballot.

**FOR AND BEHALF OF
THE BOARD OF SUPERVISION**



VO VAN CHAU

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



DO HUNG VIET

THE VOTE – COUNTING COMMITTEE



TRUONG NGOC QUYNH TIEN



DOAN THI PHUONG

SECRETARY



THAN THI THU DUNG





No. 02/2018/NQ-ĐHĐCĐ

Ho Chi Minh City, 22 October 2018

RESOLUTION
OF THE GENERAL SHAREHOLDERS' MEETING
HO CHI MINH CITY SECURITIES CORPORATION (HSC)

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 November 24th, 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;
- Minutes of vote counting No. 02/2018/BB-ĐHĐCĐ dated 22 October 2018 of the General Shareholders' Meeting of Ho Chi Minh City Securities Corporation.

RESOLUTION

Article 1.

The General Shareholders' Meeting approved the share issuance to existing shareholders using capital resources of owners' equity to increase charter capital (Issuance of bonus shares). The details are as follows:

1. Name of securities: Share of Ho Chi Minh City Securities Corporation (HCM)
2. Type of share: Ordinary share
3. Par value: VND10,000/ share (*Ten thousand dong per share*)
4. Total number of issued shares: 129,756,758 (*One hundred twenty-nine million seven hundred fifty-six thousand seven hundred fifty-eight*) shares
5. Number of outstanding shares: 129,554,168 shares (*One hundred twenty-nine million five hundred fifty-four thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 202,590 shares (*Two hundred-two thousand five hundred ninety*) shares (*at as 31 July 2018*)
7. Estimated number of issued shares: 86,369,445 shares (*Eighty-six million three hundred sixty-nine thousand four hundred forty-five*) shares

8. Total value of issuance at par value: VND 863,694,450,000 (*Eight hundred sixty-three billion six hundred ninety-four million four hundred fifty thousand dong*)
9. Issuance rate (*total estimated number of issued shares/ number of outstanding shares*): 66,67%
10. Offering target: Existing shareholders include domestic and foreign shareholders, whose names are in the list of HSC's shareholders as at the record date issued by Vietnam Securities Depository – HCMC Branch, are entitled to exercise the right to receive bonus shares.
11. Subscription ratio 3:2 (*A shareholder who owns three (03) shares is entitled to the right of receiving two (02) bonus shares*)
12. Additional issued shares are not subjected to transfer restrictions
13. The right to receive additional issued shares is not transferable
14. Processing with arising odd stocks (*if any*): The number of shares issued to existing shareholders will be rounded down to the unit. The decimal fraction (*if any*) will be cancelled.
15. Capital sources: Undistributed earnings and Share premium based on the latest Audited Financial Statement

In which:

- Value of the Undistributed earnings: VND 533,350,651,501 (*Five hundred thirty-three billion three hundred fifty million six hundred fifty-one thousand five hundred and one dong*)
 - Value of the Share premium: VND 330,343,798,499 (*Three hundred thirty billion three hundred forty-three million seven hundred ninety-eight thousand four hundred ninety-nine dong*)
16. Expected time of issuance: In 2018 or Q12019 after receiving the approval from the State Securities Commission.
 17. Additional issued shares are listed on Ho Chi Minh Stock Exchange ("HOSE").
 18. The General Shareholders' Meeting authorizes the Board of Directors ("BoD") to:
 - Select the right time to process the offering plan and the record date for the list of shareholders to the issuance shares to increase the owner's equity (bonus shares) to the existing shareholders as soon as possible after receiving Certificate of share issuance offering to the existing shareholders from the State Securities Commission ("SSC") while ensuring the benefits of shareholders in accordance with the provisions of Law.
 - Conduct necessary procedures to process and to complete the share issuance plan to existing shareholders in accordance with regulations of the Company Charter and the documents guiding the implementation of Law, including the approval of the document of share issuance submitted to authorized Government agencies;
 - Register and list all of issued shares to existing shareholders at Vietnam Securities Depository ("VSD") and Ho Chi Minh Stock Exchange ("HOSE") after completing the issuance;
 - Assign the Board of Directors and the Board of Management to amend the Company Charter accordingly in charter capital related articles upon the result of the issuance; execute the

registration of increased charter capital to amend Business Registration Certification of HSC at State Securities Commission ("SSC") after completing the issuance.

➤ Votes in favor accounted for 59.80%

Article 2.

The General Shareholders' Meeting approved the share issuance offering to existing shareholders. The details are as follows:

1. Name of securities: Share of Ho Chi Minh City Securities Corporation (HCM)
2. Type of share: Ordinary share
3. Par value: VND10,000/ share (*Ten thousand dong per share*)
4. Total number of issued shares: 129,756,758 (*One hundred twenty-nine million seven hundred fifty-six thousand seven hundred fifty-eight*) shares
5. Number of outstanding shares: 129,554,168 shares (*One hundred twenty-nine million five hundred fifty-four thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 202,590 shares (*Two hundred-two thousand five hundred ninety*) shares (*at as 31 July 2018*)
7. Estimated number of issued shares: 86,369,445 shares (*Eighty-six million three hundred sixty-nine thousand four hundred forty-five*) shares
8. Total value of issuance at par value: VND 863,694,450,000 (*Eight hundred sixty-three billion six hundred ninety-four million four hundred fifty thousand dong*)
9. Issuance rate (*total estimated number of issued shares/ number of outstanding shares*): 66,67%
10. Offering target: Existing shareholders include domestic and foreign shareholders, whose names are in the list of HSC's shareholders as at the record date issued by Vietnam Securities Depository – HCMC Branch, are entitled to exercise the right to purchase shares.
11. Offering method: In accordance with shareholders' purchasing rights
12. Subscription ratio 3:2 (*A shareholder who owns three (03) shares is entitled to the right of purchasing two (02) additional shares*)
13. Offering price: VND 14,000/ share (*Fourteen thousand dong per share*)
14. Estimated total value of issuance at offering price: VND 1,209,172,230,000 (*One thousand two hundred-nine billion one hundred seventy-two million two hundred thirty thousand dong*)
15. The right to purchase additional issued shares is transferable only one time.
16. Shareholders restricted in transferability are still entitled to purchase shares. The number of additional shares purchased from the right to purchase shares is not restricted.
17. Processing with arising odd stocks (*if any*): The number of shares existing shareholders receive will be rounded down to the unit. The decimal fraction (*if any*) will be canceled.

For example: Nguyen Van A owns 154 HCM shares, according to the issuance ratio 3:2, Nguyen Van A will be entitled to the right of purchasing $(154 \times 2) / 3 = 102,7$ additional shares. Thus, Nguyen

Van A will be entitled to the right of purchasing 102 shares. Odd share (0.7 shares) will be canceled.

18. Processing with the remaining of shares from existing shareholders that do not carry out the purchasing rights:

In case of the remaining of shares from existing shareholders that do not carry out the purchasing rights (if any), the General Shareholders' Meeting authorizes to the BoD to decide the following contents:

- The remaining of shares shall be offered to other investors chosen by the BoD (including investors stipulated in Clause 3 Article 1 of Decree No.60/2015/NĐ-CP dated 26 June 2015) with the offering price not lower than the one offered to existing shareholders.
- In case of the ownership percentage of shareholders whom the BoD continues to distribute offered shares exceeds 25% of the total voting shares, it is not necessary to process a private placement offering.
- The remaining of shares from existing shareholders offering to other investors shall be restricted one year from the date completing the issuance in accordance with the provisions of law.
- In case of passing the deadline of distributing shares according to the provisions of law (including the extended time, if any), if there are still any undistributed shares left, they will be cancelled and BoD will announce to end the offering plan.
- To consider carefully and to adjust the capital using plan to ensure that the Company's capital and business activities are not affected

19. Expected time of issuance: In 2018 or Q12019 after receiving the approval from the State Securities Commission.

20. Capital using plan:

- Total value of expected additional issued shares to existing shareholders VND 1,209,172,230,000 (*One thousand two hundred-nine billion one hundred seventy-two million two hundred thirty thousand dong*). Additional capital gained from the share issuance to existing shareholders will be allocated to:
 - Additional capital for margin lending: VND 400.000.000.000
(*In words: Four hundred billion dong*)
 - Additional capital for underwriting of share issuance: VND 600.000.000.000
(*In words: Six hundred billion dong*)
 - Additional capital for principle investment: VND 209.172.230.000
(*In words: Two hundred-nine billion one hundred seventy-two million two hundred thirty thousand dong*)
- General Shareholders' Meeting authorize the BoD to adjust the using plan of capital gained from the offering to accord with the Company's actual need of using capital and to ensure the shareholders' maximum benefits and to report to the lastest General Shareholders' Meeting.

21. Method of determining offering price:

Offering price: VND 14,000/ share (*Fourteen thousand dong per share*)

- Based on 1H2018 Audited Financial Statement as at 30 June 2018: Book value of HCM stock is VND 22,654/ share.
- Based on the price of HCM stock of the closet 60 trading sessions (*form 29 May 2018 to 20 August 2018*): Average ATC price of HCM stock is VND 58,309/ share.
- Based on the Company's growth strategy and the need of raising charter capital, and simultaneously encouraging shareholders in commitment and contribution to the Company's growth, the offering price shall be lower than the book value by 38.20% and lower than the average market price (*based on the closest 60 trading sessions*) by 75.99%.

22. Expected diluted price:

At the record date of exercising purchasing rights of additional issued shares to existing shareholders, the Company's shares price will be technically adjusted according to this formula:

$$\text{Market price (adjusted)} = \frac{PR (t - 1) + I_1 * PR}{(1 + I_1)}$$

$PR (t - 1)$ is the stock trading price before the closing date of exercising purchasing rights

PR is the price of additional issued shares to existing shareholders

I_1 is the ratio of increased capital

For example: HCM trading price before the record date of exercising purchasing rights is VND 60.000/ share. The price of additional issued shares to existing shareholders is VND 14.000/ share. The ratio of share offering to existing shareholders is 3:2 and the ratio of offering share to increase capital from owner's equity is 3:2. Thus, the adjusted market price will be:

$$\text{Market price (adjusted)} = (60.000 + 2/3*14.000 + 2/3*0) / (1 + 2/3 + 2/3) = \text{VND } 29.714/ \text{ share}$$

23. General Shareholders' Meeting authorizes the BoD to:

- Select the right time to process the offering plan and the record date for the list of shareholders to the right to purchase shares under the issuance plan to the existing shareholders as soon as possible after receiving Certificate of share issuance offering to the existing shareholders from the State Securities Commission while ensuring the benefits of shareholders in accordance with the provisions of Law.
- Conduct necessary procedures to process and to complete the share issuance plan to existing shareholders in accordance with regulations of the Company Charter and the documents guiding the implementation of Law, including the approval of the document of share issuance submitted to authorized Government agencies;

- Register and list all of issued shares to existing shareholders at Vietnam Securities Depository ("VSD") and Ho Chi Minh Stock Exchange ("HOSE") after completing the issuance;
- Assign the Board of Directors and the Board of Management to amend the Company Charter accordingly in charter capital related articles upon the result of the issuance; execute the registration of increased charter capital to amend Business Registration Certification of HSC at State Securities Commission ("SSC") after completing the issuance.

➤ Votes in favor accounted for 59.68%

Article 3.

The General Shareholders' Meeting approved the share issuance to employee stock ownership plan (ESOP). The details are as follows:

1. Name of securities: Share of Ho Chi Minh City Securities Corporation (HCM)
2. Type of share: Ordinary share
3. Par value: VND 10,000/ share (*Ten thousand dong per share*)
4. Total number of issued shares: 129,756,758 (*One hundred twenty-nine million seven hundred fifty-six thousand seven hundred fifty-eight shares*)
5. Number of outstanding shares: 129,554,168 shares (*One hundred twenty-nine million five hundred fifty-four thousand one hundred sixty-eight shares*)
6. Number of treasury shares: 202,590 shares (*Two hundred-two thousand five hundred ninety shares (at as 31 July 2018)*)
7. Estimated number of issued shares: 6,477,000 (*Six million four hundred seventy-seven thousand shares*)
8. Issue price: VND 14,000/ Share (*Fourteen thousand dong per share*)
9. Total value of issuance at par value: VND 64,770,000,000 (*Sixty-four billion seven hundred seventy million dong*)
10. Total value of issuance: VND 90,678,000,000 (*Ninety billion six hundred seventy-eight million dong*)
11. Subscription ratio: 5%
12. Capital sources: The Company's Welfare and Reward Fund as at 30 June 2018 and the employees' payments
In which:
 - Value of the Welfare and Reward Fund: VND 34,004,250,000 (*Thirty-four billion four million two hundred fifty dong*)
 - Value of the employees' payment: VND 56,673,750,000 (*Fifty-six billion six hundred seventy-three million seven hundred fifty thousand dong*)
13. Applicable employees: Company's management employees

14. Transfer restriction: Shares issued to the Company employees shall be restricted in accordance with the Rules - Policies on Employee Share Ownership Plan 2018 adopted by the BoD of Ho Chi Minh City Securities Corporation.
15. Transfer ratio and time frame:
 - At the end of the first year (*12 months after the completed issuance of ESOP 2018*), the employees shall only be allowed to transfer up to 40% of the total Issued and Transferred Shares.
 - At the end of the second year (*24 months after the completed issuance of ESOP 2018*), the employees shall only be allowed to transfer up to 30% of the total Issued and Transferred Shares.
 - At the end of the third year (*36 months after the completed issuance of ESOP 2018*), the employees shall be allowed to transfer up to 30% all of the remaining Issued and Transferred Shares.
16. Dealing with non-exercised shares: In case of the employees refuse to exercise the rights to buy their allocated shares, the BoD shall allocate total number of non-exercised shares to other employees depending on his/ her years' seniority.
17. Revocation of issued and transferred shares
 - If an employee resigns, the Company will buy his/ her remaining transfer-restricted shares at the price which equals his/ her contribution amount to purchase those shares plus non-term interest for the period from issue date to the re-purchase date. These shares will be available for transfer once Vietnam Securities Depository (VSD) – Ho Chi Minh City Branch approves the ownership transfer.
 - The treatment of other cases will be applied in accordance with the Rules - Policies on Employee Share Ownership.
18. Estimated time of issuance: In 2018 or Q12019 after receiving the approval from the State Securities Commission.
19. Capital using plan from the offering plan for the Company's employees:

Expected offering price: VND 14.000/ share

 - Total value of expected additional issued shares to HSC's employees is VND 56,673,750,000 (*Fifty-six billion six hundred seventy-three million seven hundred fifty thousand dong*). Additional capital gained from the share issuance to HSC's employees will be allocated to principle investment.
 - General Shareholders' Meeting authorize the BoD to adjust the using plan of capital gained from the offering to accord with the Company's actual need of using capital and to ensure the shareholders' maximum benefits.
20. Method of determining offering price:
 - Based on 1H2018 Audited Financial Statement as at 30 June 2018: Book value of HCM stock is VND 22,654/ share.

- Based on the price of HCM stock of the closet 60 trading sessions (*form 29 May 2018 to 20 August 2018*): Average ATC price of HCM stock is VND 58,309/ share.
 - Based on the Company's growth strategy and the need of raising charter capital, and simultaneously encouraging shareholders in commitment and contribution to the Company's growth, the offering price shall be lower than the book value by 38.20% and lower than the average market price (*based on the closest 60 trading sessions*) by 75.99%.
21. Additional issued shares will be listed on the Ho Chi Minh Stock Exchange.
22. General Shareholders' Meeting authorizes the BoD to:
- Decide the right time to process the offering plan;
 - Decide the list of the employees who are allowed to purchase shares and the allocation of shares for each employee;
 - Implement the regulations and policies of the share offering plan to the employees with the option to exercising the purchasing rights;
 - Conduct necessary procedures to process and to complete the issuance of ESOP 2018 in accordance with regulations of the Company Charter and the documents guiding the implementation of Law, including the approval of the document of share issuance submitted to authorized Government agencies;
 - Register and list all of issued shares of ESOP 2018 at Vietnam Securities Depository ("VSD") and Ho Chi Minh Stock Exchange ("HOSE") after completing the issuance;
 - Assign the Board of Directors and the Board of Management to amend the Company Charter accordingly in charter capital related articles upon the result of the issuance; executing the registration of increased charter capital to amend Business Registration Certification of HSC at State Securities Commission ("SSC") after completing the issuance.

❖ **Assessment of expected EPS dilution**

The Company offers additional issued shares to increase the charter capital from VND 1,297,567,580,000 to VND 3,089,726,480,000. In case of successful offering plan, the Company's outstanding shares will be 308,770,058. After the new shares are officially circulated, there will be an EPS dilution as follows:

$$\text{EPS} = (\text{earnings after tax} - \text{preferred shares' dividends}) / (\text{outstanding shares})$$

The EPS dilution level in this offering plan will be assessed as follows:

- The total expected earnings after tax in 2018 is VND 818,717,000,000. The expected average outstanding shares in 2018, without additional issued shares, are 129,562,479. Thus, the expected EPS in 2018 before the offering plan is VND 6.319.
- After the offering plan, the expected outstanding shares will be 308,770,058. Assuming HSC completes the offering plan at the end of October 2018, then the expected average

outstanding shares will be 159,513,628 and EPS will decrease and be valued at VND 5.133 per share.

The additional shares offering may also decrease the book value per share (BVPS) when the outstanding shares increase. Then, BVPS will be calculated as follows:

$$\text{BVPS} = \text{owner's equity} / \text{outstanding shares}$$

At the ending date of offering plan, if the growth of owner's equity is lower than the growth of number of shares after the offering plan, the book value per share will decrease.

➤ Votes in favor accounted for 56.05%

Article 4.

This Resolution takes effect from the signing date, all shareholders of Ho Chi Minh City Securities Corporation, members of the BoD, members of the BoS and all the Company employees have responsible for the implementation of such Resolution.

For and On behalf of the Board of Directors
CHAIRMAN



DO HUNG VIET

To:

- HSC Shareholders;
- SSC;
- HOSE;
- BoD, BoS and BoM;
- BoD Office for record,

No. 23/2018/NQ-HĐQT

Ho Chi Minh City, 22 October 2018

**RESOLUTION
BOARD OF DIRECTORS
HO CHI MINH CITY SECURITIES CORPORATION**

Based on Business License No. 11/GPHĐKD dated 29 April 2003 issued by the State Securities Commission of Vietnam;

Based on Amended License No. 09/GPĐC-UBCK dated 02 March 2017 issued by the State Securities Commission of Vietnam;

Based on Minutes No.23/2018/BB-HĐQT dated 22 October 2018,

**BOARD OF DIRECTORS
HO CHI MINH CITY SECURITIES CORPORATION
RESOLVED**

Article 1

The Board of Directors approved the documents of share issuance to submit to the State Securities Commission complying with the provisions of Circular 162/2015/TT-BTC dated 26 October 2015 issued by Ministry of Finance. The details are as follows:

- Share issuance offering to existing shareholders
- Share issuance to existing shareholders using capital resources of owners' equity to increase charter capital (issuance of bonus shares)
- Share issuance to HSC employees according to the Employee Stock Ownership Plan (ESOP 2018)

Article 2

The Board of Directors authorized the Chairman and the relevant departments to process the implementation of share issuance offering to existing shareholders, share issuance to existing shareholders using capital resources of owners' equity to increase charter capital and share issuance to HSC employees according to the Employee Stock Ownership Plan (ESOP 2018) to submit to the State Securities Commission.

The Board of Directors authorized the Chairman and the relevant departments to conduct necessary legal procedures to process and to complete the share issuance offering to existing shareholders, the share issuance to existing shareholders using capital resources of owners' equity to increase charter capital and the share issuance to HSC employees according to the Employee Stock Ownership Plan (ESOP 2018) in accordance with regulations of the Company Charter and the documents guiding the implementation of Law.



Article 3

The Board of Directors approved the criteria for HSC employees participating ESOP 2018, the principles to determine the number of shares of the ESOP 2018 awarded to each eligible participant of ESOP 2018, the implementation time and the rules & policies of ESOP 2018. The details are as follows:

1. Criteria for participation in the share award under the ESOP 2018

Eligibility to participate in the ESOP 2018 shall be limited to key Employees who satisfy all of the following conditions:

- Working at and receiving salary from Ho Chi Minh City Securities Corporation, and officially commencing their employment at the Company before 22 October 2018, from the position of the Chief Executive Officer downwards.
- Holding the level of CB1 upwards under the Company's job grade system of human resources management.
 - Regarding Employees holding management positions
 - Having experience in management and demonstrating competence at his/her management responsibilities
 - Having contributed effectively to building the productivity system of the Company, along with providing efficient support to other departments
 - His/her productivity/effectiveness having been recognized as a basis for further training and development in the long-term plan of human resources development, focused on key officials of the Company
 - Regarding Employees with high professional skills
 - Having demonstrated his/her ability to undertake work independently and demonstrating high professional skills throughout the learning process and work experience
 - Having made practical contributions to the productivity and efficiency of their departments/divisions and the Company in general
 - His/her productivity/effectiveness having been recognized as a basis for further training and development in the long-term plan of human resources development, focused on key officials of the Company
- Not being subject to temporary suspension on the performance of the labor contract during the time of employment at HSC.
- Satisfying the conditions in accordance with the specific criteria of key officials of the plan and being approved to participate in the ESOP 2018 by the Chief Executive Officer.
- The Chief Executive Officer and the ESOP Board shall have the final decision on who is entitled to participate in the ESOP 2018.

In addition, special cases permitted to participate in the plan shall be approved by the Chief Executive Officer on a case by case basis before the ESOP Board's final approval.

2. Principles to determine the number of shares of the ESOP 2018 awarded to each eligible participant of ESOP 2018

Based on the criteria of key employees participating in the ESOP 2018 approved by the Board of Directors, the Board of Directors authorized Chief Executive Officer to make the list of HSC employees participating in the ESOP 2018 and to distribute ESOP 2018 shares in accordance with the following specific regulations:

- The number of shares of the ESOP 2018 will be awarded by the Chief Executive Officer according to the company's salary pay scale, referred to as the BASE number of awarded basic shares.
- The BASE number of shares for each individual staff is adjusted based on his/her specific work position, tenure with the company, contributions to the company in 2018, commitments and possible contributions to the company in the future, as well as many other criteria.
- The number of shares of individual staff is informed to Heads of Department/ Division, who will review and propose adjustments where necessary to each eligible participant of ESOP 2018. The adjustments must follow parameters set forth by the company, be within the total number of shares awarded to the Department/Division, and by the Chief Executive Officer.
- The final number of awarded shares for each Employee shall be considered and approved by the Chief Executive Officer within the minimum and maximum numbers adopted by the ESOP Board.

The Board of Directors authorized Chief Executive Officer to make and to sign the list of HSC employees participating in the ESOP 2018.

3. Expected implementation time: In Q2.2019 after receiving the approval from the State Securities Commission

4. Promulgation of Rules and Policies of ESOP 2018 and implementation of ESOP 2018

The Board of Directors authorized the Board Remuneration Committee to promulgate Rules and Policies of share issuance of Optional Employee Stock Ownership Plan (ESOP 2018) and to process the implementation of ESOP 2018 in accordance with the criteria approved by the Board of Directors. The member names of Board Remuneration Committee are hereby the followings:

- Mr. Do Hung Viet (*Chairman of the Board of Directors*) : Head of the ESOP Board
- Mr. Johan Nyvene (*Member of BOD cum CEO*) : Deputy Head of the ESOP Board
- Mr. Le Anh Minh (*Vice Chairman of BOD*) : Member
- Mr. Vo Van Chau (*Head of the Board of Supervision*) : Member



The Board of Directors authorized the Board of Management to conduct necessary legal procedures with authorized agencies to process and to complete the share issuance to HSC employees according to the Employee Stock Ownership Plan (ESOP 2018).

Article 4

Resolution takes effect from the signature date.

FOR AND ON BEHALF OF THE BOARD OF THE DIRECTORS

CHAIRMAN



DO HUNG VIET

To:

- BoD members;
- BoS members
- BoM members
- BoD Office for record