

**Số: 15/2018/CV-CBTT**  
No: 15/2018/CV-CBTT

TP. Hồ Chí Minh, ngày 27 tháng 04 năm 2018  
Ho Chi Minh City, 27 April 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  
*Head quarter address: Level 5&6, AB Tower, 76 Le Lai Str., Ben Thanh Ward, Dist., 1, HCM City*

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Người thực hiện công bố thông tin: Bà Trương Ngọc Quỳnh Tiên  
*Submitted by: Ms. Truong Ngoc Quynh Tien*

Chức vụ: Giám đốc Truyền Thông  
*Position: Communications Director*

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

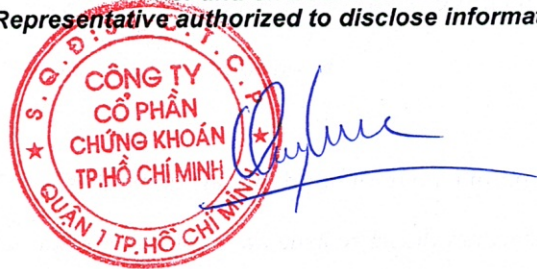
Nội dung thông tin công bố:  
*The content of information disclosure:*

1. Biên bản và Nghị quyết Đại hội cổ đông thường niên năm tài chính 2017 tổ chức vào ngày 26/04/2018.  
*Meeting Minutes and Resolution of Annual General Shareholders' Meeting for the fiscal year 2017 dated 26 April 2018.*
2. Bổ nhiệm ông Lâm Hoài Anh làm thành viên Hội đồng quản trị nhiệm kỳ IV (2016 - 2020) từ ngày 26/04/2018.  
*Appointment of Mr. Lam Hoai Anh as a member of the Boards of Directors for the term IV (2016 - 2020) since 26 April 2018.*

Thông tin này đã được công bố trên trang thông tin điện tử của công ty vào ngày 27/04/2018 tại đường dẫn <http://www.hsc.com.vn/vn/investor/information-disclosure>  
*This information was disclosed on HSC webpage on 27 April, 2018 and available at <https://www.hsc.com.vn/vn/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; we shall be legally responsible for any misrepresentation.*

**Người được ủy quyền CBTT**  
**For and on behalf of HSC**  
**Representative authorized to disclose information**



**Trương Ngọc Quỳnh Tiên**  
**Giám đốc Truyền thông**  
**Communications Director**

**Tài liệu đính kèm/ Attached file:**

- Biên bản số 01/2018/BB-ĐHĐCĐ ngày 26/04/2018;  
Meeting Minutes No. 01/2018/BB – ĐHĐCĐ dated 26 April 2018;
- Nghị quyết 01/2018/NQ-ĐHĐCĐ ngày 26/04/2018  
Resolution No. 01/2018/NQ – ĐHĐCĐ dated 26 April 2018.



**No.: 01/2018/NQ-ĐHĐCĐ**

Ho Chi Minh City, 26 April 2018

## **RESOLUTION**

### **OF THE FY2017 ANNUAL GENERAL MEETING (AGM)**

### **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 eleventh amendment of HSC Charter according to the AGM Resolution No.01/2017/NQ-ĐHĐCĐ dated 24 April 2017;*
- *Minutes No. 01/2018/BB-ĐHĐCĐ dated 26 April 2018 of the FY2017 AGM of Ho Chi Minh City Securities Corporation.*

## **RESOLUTION**

**Article 1.**

The FY2017 AGM approved approved the following issues referring to the amendment of HSC Charter:

- To approve the draft of amended HSC Charter
- To authorize the BoD to amend some articles of HSC Charter, which covered the approval of the AGM.
- To authorize the legal representative to sign the amended HSC Charter. The amended HSC Charter shall be effective immediately at the date of AGM 's approval which is 26 April 2018 and applied from Article 2 of this Resolution. The current version of HSC Charter approved dated 24 April 2017 shall be replaced.

➤ Votes in favor accounted for 95.62%

**Article 2.**

The FY2017 AGM approved the report on the FY2017 activities of the Board of Directors of Ho Chi Minh City Securities Corporation.

➤ Votes in favor accounted for 99.77%

### Article 3.

The FY2017 AGM approved the report on the FY2017 Business Performance of the Board of Management, in which some main indicators as below:

DESCRIPTION	Y2017	Y2016	% Change	Y2017 Plan	% Y2017 Plan
<b>INCOME STATEMENT (VND mil)</b>					
<b>Revenues</b>	<b>1,540,043</b>	<b>824,245</b>	<b>87%</b>	<b>1,011,913</b>	<b>152%</b>
Brokerage fee	601,942	348,957	72%	451,533	133%
Income from loans	439,219	343,657	28%	412,300	107%
Gain from proprietary investments	428,248	99,026	332%	110,630	387%
Financial advisory services	45,179	24,602	84%	32,900	137%
Other revenues	25,455	8,003	218%	4,550	559%
<b>Operating expenses</b>	<b>847,720</b>	<b>439,651</b>	<b>93%</b>	<b>561,136</b>	<b>151%</b>
<b>Profit before tax</b>	<b>692,601</b>	<b>385,383</b>	<b>80%</b>	<b>450,778</b>	<b>154%</b>
<b>Profit after tax</b>	<b>554,059</b>	<b>304,531</b>	<b>82%</b>	<b>361,052</b>	<b>153%</b>
<b>BALANCE SHEET AT THE YEAR END (VND mil)</b>					
Total asset	6,680,572	3,616,842	85%	3,845,039	174%
Owners' equity	2,791,161	2,391,917	17%	2,456,536	114%
<b>FINANCIAL INDICATORS</b>					
Return on average assets (ROAA)	10.8%	9.1%	18.7%	9.4%	
Return on average equity (ROAE)	21.4%	13.0%	64.6%	14.7%	
<b>EQUITY'S VALUE</b>					
Number of outstanding shares	129,570,368	127,155,368	2%	129,655,368	100%
Earnings per share EPS – VND	4,289	2,395	79%	2,785	154%
Book value per share – VND	21,542	18,811	15%	18,947	114%

➤ Votes in favor accounted for 99.77%

#### Article 4.

The FY2017 AGM approved the FY2018 Business plan with the following assumptions:

#### 1 The trading value and brokerage market share

Based on the daily average trading value over the past 5 years and projection of market trends in the coming period, the Board of Management has made some assumptions on the trading value and brokerage market share of HSC in 2018 as follows:

<b>BROKERAGE MARKET SHARE</b>	<b>2018 Target</b>	<b>2017 Actual</b>	<b>% Change</b>	<b>Q1/2018 Actual</b>
<b>Average daily trading value (VND million)</b>	<b>8,000,000</b>	<b>5,000,000</b>	<b>60%</b>	<b>8,936,000</b>
<b>Total brokerage market share</b>	<b>11.3%</b>	<b>11.3%</b>		<b>12.3%</b>
Retail brokerage	7.0%	6.4%		7.3%
Institutional brokerage	3.8%	4.5%		3.8%
Proprietary trading of HSC	0.5%	0.4%		1.2%
<b>Market share per client type</b>				
HSC's local/ Local market	9.5%	8.6		10.2%
HSC's foreign/ Foreign market	28.0%	33.1%		26.5%

#### 2 Margin Lending

<b>MARGIN LENDING (VND million)</b>	<b>2018 Target</b>	<b>2017 Actual</b>	<b>% Change</b>	<b>1Q/2018 Estimate</b>	<b>% 2018 Target</b>
Average margin balance	4,500,000	3,237,878	39%	4,667,000	104%
<i>In which:</i>					
Retail clients	4,240,000	3,024,778	40%	4,461,000	105%
Institutional clients	260,000	213,100	22%	206,000	79%

#### 3 Bank Interest Rates

<b>BANK INTEREST RATE</b>	<b>2018 Target</b>	<b>2017 Actual</b>
Average bank deposit rate (% p.a.)	6.0%	5.7%
Interest rate (% p.a.)	8.5%	7.8%

The financial indicators in the FY2018 Business plan of HSC are as follow:

DESCRIPTION (VND million)	2018 Target	2017 Actual	% Change	1Q/2018 Estimate	% 2018 Target
<b>INCOME STATEMENT</b>					
<b>Revenues</b>	<b>2,110,156</b>	<b>1,390,005</b>	<b>52%</b>	<b>621,619</b>	<b>29%</b>
Brokerage fees	911,862	601,942	51%	232,946	26%
Income from loans	607,500	439,219	38%	152,340	25%
Gain from proprietary investments	435,999	277,932	57%	174,447	40%
Financial advisory services	137,620	45,179	205%	58,684	43%
Other revenues	17,175	25,733	- 33%	3,202	19%
<b>Operating expenses</b>	<b>1,070,783</b>	<b>697,404</b>	<b>54%</b>	<b>232,261</b>	<b>22%</b>
<b>Profit before tax</b>	<b>1,039,373</b>	<b>692,601</b>	<b>50%</b>	<b>389,359</b>	<b>37%</b>
<b>Profit after tax</b>	<b>818,717</b>	<b>554,059</b>	<b>48%</b>	<b>311,749</b>	<b>38%</b>
<b>BALANCE SHEET</b>					
Total asset	6,322,331	6,680,572	-5%	6,776,806	83%
Shareholders' equity	3,347,678	2,791,161	20%	3,090,910	81%
<b>FINANCIAL INDICATORS</b>					
Return on average assets (ROAA)	12.9%	10.8%		4.6%	
Return on average equity (ROAE)	24.5%	21.4%		10.6%	
<b>EQUITY'S VALUE</b>					
Average number of shares	189,405,505	129,570,368	47%	129,570,368	68%
Earnings per share EPS – VND	4,323	4,289	1%	2,406	56%
Book value per share – VND	17,675	21,542	-18%	23,855	135%

- Votes in favor accounted for 99.76%

#### Article 5.

The FY2017 AGM approved the report on FY2017 Company's operation of the Supervisory Board.

- Votes in favor accounted for 99.76%

#### Article 6.

The FY2017 AGM approved the Audited Financial Statements for the year ended 31 December 2017 including:

- Report of the Board of Managers;
- Independent Auditors' Report;
- Balance sheet as at 31 December 2017;
- Income Statement for the year ended 31 December 2017;
- Cash flow statement;
- Statement of changes in equity;
- Notes to the financial statements,

In which:

Some key items in the FY2017 Financial Statements of HSC as below:

*Unit: Vietnamdong*

No.	Items	Performance of Y2017	Performance of Y2016
1	Total assets	6,680,572,043,521	3,616,842,334,688
2	Net revenue	1,540,042,600,129	824,244,576,700
3	Profit before tax	692,600,803,982	385,383,289,422
4	Profit after tax	554,059,163,742	304,530,981,303

- Votes in favor accounted for 99.76%

#### **Article 7.**

The FY2017 AGM approved the FY2017 final cash dividend as below:

- Dividend pay-out rate: 15% of par value (*equivalent to VND 1,500 per share*)
- Payment method: In cash
- Implementation time:
  - Expected record date: 18 May 2018
  - Expected payment date: 08 June 2018
- Personal income tax (PIT): The AGM authorizes the BoD to deduct the PIT of the shareholders for the dividend income, and on behalf of the shareholders, HSC will pay their deducted PIT to the Tax authority in accordance with the law regulations.

- Votes in favor accounted for 91.66%

#### **Article 8.**

The FY2017 AGM approved the FY2018 dividend plan of HSC as below:

- Dividend rate: The AGM authorizes the BoD to decide FY2018 dividend rate based on HSC financial performance at the dividend payment time, in which the FY2018 dividend payout rate ranges from 15% (*equivalent to VND1,500 per share*).
- Payment method: In cash

- Implementation time: The AGM authorized the BoD to choose the suitable date to pay the FY2018 dividend.
- Personal income tax (PIT): The AGM authorizes the BoD to deduct the PIT of the shareholders for the dividend income, and on behalf of the shareholders, HSC will pay their deducted PIT to the Tax authority in accordance with the law regulations.

➤ Votes in favor accounted for 91.67%

#### Article 9.

The FY2017 AGM approved the FY2017 profit distribution plan of HSC. The details are as follow:

Unit: Vietnamdong

No	ITEMS	Y2017		Y2016	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
I	PROFIT BEFORE TAX		692,600,803,982		385,383,289,422
II	PROFIT AFTER TAX	100%	554,059,163,742	100%	304,530,981,303
III	PROPOSED PROFIT AFTER TAX DISTRIBUTION	65.21%	361,302,249,226	93.47%	284,638,286,580
1	Appropriation to Equity Funds	14.60%	80,893,588,970	20.00%	60,906,196,261
	<i>Supplementary capital reserve</i>	2.30%	12,743,836,298	5.00%	15,226,549,065
	<i>Compulsory reserve fund</i>	2.30%	12,743,836,298	5.00%	15,226,549,065
	<i>Welfare and reward fund</i>	10.00%	55,405,916,374	10.00%	30,453,098,130
2	Cash dividend payment	49.11%	272,097,772,800	71.97%	219,164,125,600
	<i>Interim dividend (6% of per value)</i>	14.03%	77,742,220,800	20.88%	63,577,684,000
	<i>Proposed final dividend (15% of per value)</i>	35.08%	194,355,552,000	51.09%	155,586,441,600
3	Remuneration and budget for the Board of Directors and the Supervisory Board	1.50%	8,310,887,456	1.50%	4,567,964,720
IV	RETAINED PROFIT (IV)=(II)-(III)	34.79%	192,756,914,516	6.53%	19,892,694,723
V	RETAINED PROFITS OF AT THE BEGINNING OF THE YEAR		381,483,606,934		361,590,912,211
VI	TOTAL RETAINED EARNINGS AT THE END OF THE YEAR (VI)=(IV)+(V)		574,240,521,450		381,483,606,934

➤ Votes in favor accounted for 91.56%



#### **Article 10.**

The FY2017 AGM approved the authorization the BoD to appoint one of the Big 4 independent audit firms to audit HSC FY2018 Financial Statements and review HSC FY2018 quarterly Financial Statements in accordance with the law regulations. The four independent audit firms are the firms approved by the State Securities Commission of Vietnam (SSC) to audit issuing organizations, listed and securities trading companies. List of four independent audit firms is as below:

1. Ernst & Young Vietnam Co., Ltd.
2. KPMG Vietnam Co., Ltd.
3. Price Waterhouse Coopers Vietnam Co., Ltd
4. Deloitte Vietnam Co., Ltd

➤ Votes in favor accounted for 99.76%

#### **Article 11.**

The FY2017 AGM approved the following issues referring to the amendment of HSC Corporation Governance Regulations:

- To approve the draft of HSC Corporation Governance Regulations.
- To authorize the Chairman to sign the amended regulations of HSC Corporation Governance.

➤ Votes in favor accounted for 95.62%

#### **Article 12.**

The FY2017 AGM approved the share issuance for existing shareholders using capital resources of owners' equity to increase charter capital (*Issuance of bonus shares*). The details are as below:

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: 129,569,168 shares (*One hundred twenty-nine million five hundred sixty-nine thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 187,590 shares (*One hundred eighty-seven thousand five hundred ninety*) shares (*at 31 March 2018*)
7. Estimated number of issued shares: 86,379,445 shares (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares
8. Total value of issuance at par value: VND 863,794,450,000 (*Eight hundred sixty-three billion seven 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 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 canceled.
15. Capital sources: Undistributed earnings and Share premium based on the FY2017 Audited Financial Statement

In which:

- Value of the Undistributed earnings: VND 533,450,651,501 (*Five hundred thirty-three billion four 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 ninty-nine dong*)
16. Expected time of issuance: In 2018 after receiving the approval from the State Securities Commission.
  17. The Annual General Shareholders' Meeting ("AGM") authorizes the Board of Directors to:
    - Select the record date for the list of shareholders to the issuance shares to increase the owner's equity (bonus shares) for the existing shareholders as soon as possible after receiving Approval Certificate 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 for existing shareholders in accordance with regulations of the Company Charter and the documents guiding the implementation of Law;
    - Register and list all of issued shares for 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 63.71%

### Article 13.

The FY2017 AGM approved the share issuance offering to existing shareholders. The details are as below:

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: 129,569,168 (*One hundred twenty-nine million five hundred sixty-nine thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 187,590 (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares (*at 31 March 2018*)
7. Estimated number of issued shares: 86,379,445 (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares
8. Total value of issuance at par value: VND 863,794,450,000 (*Eight hundred sixty-three billion seven 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. Total value of issuance at offering price: VND 1,209,312,230,000 (*One thousand two hundred and nine billion three hundred and twelve 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. Dealing with the remaining of shares from existing shareholders that do not carry out the purchasing right (*if any*):  
For the number of unissued shares refused to be purchased by the existing shareholders, the Annual General Shareholders' Meeting ("AGM") authorizes the Board of Directors ("BoD") to continue offering them to other investors which will be chosen and decided by the BoD, with the offering price not lower than the one offered for existing shareholders.
18. 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.

19. Expected time of issuance: In 2018 after receiving the approval from the State Securities Commission.
20. The Annual General Shareholders' Meeting ("AGM") authorizes the Board of Directors to:
  - Select the record date for the list of shareholders to the right to purchase shares under the issuance plan for 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 for existing shareholders in accordance with regulations of the Company Charter and the documents guiding the implementation of Law;
  - Register and list all of issued shares for 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 63.71%

#### **Article 14.**

The FY2017 AGM approved the share issuance for employees stock ownership plan (ESOP 2018). The details are as below:

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: 129,569,168 (*One hundred twenty-nine million five hundred sixty-nine thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 187,590 (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares (*at 31 March 2018*)
7. Estimated number of issued shares: 6,478,000 (*Six million four hundred seventy-eight thousand*) shares
8. Issue price: VND 14,000/ Share (*Fourteen thousand dong per share*)

9. Total value of issuance at par value: VND 64,780,000,000 (*Sixty-four billion seven hundred eighty million dong*)
10. Total value of issuance: 90,692,000,000 (*Ninety billion six hundred ninety-two million dong*)
11. Subscription ratio: 5%
12. Capital sources: The Company's Welfare and Reward Fund as at 30 April 2018 and the employees' payments  
In which:
  - Total value of the Welfare and Reward Fund: VND 34,000,000,000 (*Thirty-four billion dong*)
  - Total value of the employees' payment: VND 56,692,000,000 (*Fifty-six billion six hundred ninety-two million 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 Board of Directors 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 the employees refuse to exercise the rights to buy their allocated shares, the Board of Directors 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 or her remaining transfer-restricted shares at the price which equals his or 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 after receiving the approval from the State Securities Commission.
19. Authorization: Submit to the AGM to authorize the Board of Directors to:

- Decide the list of the employees who are allowed to purchase shares and the allocation of shares for each employee;
- 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;
- 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.

➤ Votes in favor accounted for 63.71%

The FY2017 AGM approved the total value of expected additional issued shares VND 1,266,004,230,000 (*One thousand two hundred sixty-six billion four million two hundred thirty thousand dong*). Additional capital gained from the share issuance for existing shareholders and HSC's employees will be allocated to

- Additional capital for margin trading: VND 1,000,000,000,000  
(*A thousand billion dong*)
- Additional capital for using proprietary investment: VND 266,004,230,000  
(*Two hundred sixty-six billion four million two hundred thirty thousand dong*)

The AGM authorize the Board of Directors 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.

➤ Votes in favor accounted for 55.43%

#### **Article 15.**

The FY2017 AGM approved the dismissal of member cum Vice Chairman of the Board of Directors and the list of candidates to nominate to the Board of Directors for the term IV (2016 – 2020). The details are as below:

- Mr. Nguyen Thanh Liem is dismissed from a member cum Vice Chairman of HSC's Board of Directors effectively on 26 April 2018. (*On 07 March 2018, the BoD has received the resignation letter of Mr. Nguyen Thanh Liem, in which Mr. Nguyen Thanh Liem would like to resign from the position of member cum Vice Chairman of HSC's Board of Directors.*)
- The list of candidates nominated as a member of the Board of Directors for the term IV (2016 – 2020) as below:

Full name: Mr. Lam Hoai Anh

Date of birth: 23 October 1972

Nationality: Vietnamese

Citizen identity card number: 001072008603 dated 01 June 2016 at Police Department

Permanent address: 290/9 Nam Ky Khoi Nghia Street, Ward 8, District 3, HCM City

- Votes in favor accounted for 95.63%

The FY2017 AGM approved that Mr. Lam Hoai Anh (001072008603 dated 01 June 2016 at Police Department) is elected as a member of the BOD for the term IV (2016 – 2020)

- Votes in favor accounted for 94.07%

#### Article 16.

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,



## MINUTES

### OF THE FY2017 ANNUAL GENERAL MEETING (AGM) HO CHI MINH CITY SECURITIES CORPORATION (HSC)

#### I. COMPANY PROFILE

- Company name: Ho Chi Minh City Securities Corporation (HSC)
- Head Office: 5<sup>th</sup> and 6<sup>th</sup> Floor, 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](http://www.hsc.com.vn)
- The License for Establishment and Operations No. 11/GPHĐKD dated Apr 19<sup>th</sup>, 2003 issued by State Securities Committee of Vietnam and the License Amendment No. 09/GPĐC – UBCK dated 02 March, 2017 issued by State Securities Committee of Vietnam.

#### II. TIME, VENUE AND PARTICIPANTS OF THE MEETING

- Time: 13:30 – Thursday, 26 April 2018
- Venue: Ballroom – Third Floor – Caravelle Saigon Hotel, 19 – 23 Lam Son Square, Dist.1, Ho Chi Minh City.
- Participants
  1. Shareholders of Ho Chi Minh City Securities Corporation and their authorized representatives
  2. The Chair
    1. Mr. Do Hung Viet
    2. Mr. Le Anh Minh
    3. Mr. Pham Nghiem Xuan Bac
    4. Mr. Johan Nyvene
    5. Mr. Trinh Hoai Giang
  3. The Vote – counting Committee and a representative of shareholders who monitors the vote-counting process

The Vote – counting Committee

    1. Ms. Nguyen Anh Xuan Trang
    2. Mr. Vu Doan

A representative of shareholders who monitors the vote-counting process

Ms. Phan Thi Kim Hong
  4. The Secretary Committee
    1. Mr. Tran Huy Vu
    2. Ms. Pham Nguyen Hoang Quyen





5. Members of Board of Directors (BoD), Board of Supervision (BoS), Board of Management (BoM), representatives of Managing Directors, Function Heads and employees of the Company.
6. Representative of Price Waterhouse Coopers Vietnam Ltd.,:
  1. Mr. Nguyen Hoang Nam – Audit Partner
  2. Ms. Doan Tran Phuong Thao – Audit Manager

### III. PROCEDURES OF MEETING

#### 1. Report on verification of the qualifications of shareholders attending the FY2017 AGM

Mr. Vo Van Chau, Head of BoS, reported the verification of qualifications of shareholders attending the Meeting:

Up to 14:00, 26 April 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 1,295,703,680,000 equivalent to 129,570,368 shares (*as eliminating 186,390 treasury shares hold by the Company*). Therefore, the AGM would vote based on the capital of VND 1,295,703,680,000 equivalent to 129,570,368 shares.

Total number of shareholders invited to attend the AGM were 3,611 shareholders, representing for shareholders holding 129,570,368 shares of the Company.

Total number of participants who are shareholders or authorized to attend the Meeting were 270 shareholders, representing 111,235,644 shares of the Company and accounting for 85.85% of total number of shares of the Company; the total numbers of votes at the Meeting were 111,235,644 shares.

Pursuant to Section 2, Article 144 of Enterprise Law 2014, as the number of shareholders attending the FY2017 AGM was more than 51% of the number of voting shares of the Company, the FY2017 AGM of HSC was legal and valid. (*See the attached verification report of the BOS*)

#### 2. Approval of the regulations on organization and activities of the FY2017 AGM:

Ms. Nguyen Anh Xuan Trang, presented the regulations on organization and activities of the FY2017 AGM.

The Meeting voted and approved the regulations on organization and activities of the FY2017 AGM with 111,235,644 votes in favour, accounting for 100%; 0 against, accounting for 0%; 0 abstention, account for 0%.

#### 3. Approval of the persons of the Chair

Pursuant to Section 4, Article 31 of the Company Charter, Mr. Do Hung Viet shall be the chairman of the Meeting.

The Organizing committee of the Meeting nominated the other members of the Chair, including:

- Mr. Le Anh Minh
- Mr. Pham Nghiem Xuan Bac
- Mr. Johan Nyvene
- Mr. Trinh Hoai Giang

The Meeting voted and approved the members of the Chair with 111,235,644 votes in favor, accounting for 100%; 0 against, accounting for 0%; and 0 abstentions, accounting for 0%.

**4. Approval of the persons of the Vote – counting Committee and one representative of shareholders who monitors the vote-counting process**

The Organizing committee of the Meeting nominated the members of the Vote – counting Committee, including:

- Ms. Nguyen Anh Xuan Trang
- Mr. Vu Doan

One representative of shareholders who monitors the vote-counting process:

- Ms. Phan Thi Kim Hong

The Meeting voted and approved the members of the Vote – counting Committee and One representative of shareholders who monitors the vote-counting process with 111,235,644 votes in favor, accounting for 100%; 0 against, accounting for 0%; and 0 abstentions, accounting for 0%.

**5. The Chair nominated the members of the Secretary Committee:**

- Mr. Tran Huy Vu
- Ms. Pham Nguyen Hoang Quyen

**IV. CONTENTS OF MEETING**

**1. Approval of the Meeting Agenda**

Mr. Do Hung Viet, the Chairman, proposed the Meeting Agenda with the following contents:

1. Report on the FY2017 activities of the Board of Directors
2. Report on the FY2017 Business Performance of the Board of Management
3. FY2018 Business plan
4. Report on the FY2017 Company's operation of the Supervisory Board
5. Additional election of member of the Board of Directors in the term IV (2016 – 2020)
6. Proposals to approve:
  - The Audited Financial Statements for the year ended 31 December 2017
  - FY2017 final cash dividend rate
  - FY2018 dividend plan
  - FY2017 profit distribution plan
  - Appointment of the independent audit firm for the fiscal year 2018
  - Amendment of HSC Charter
  - Amendment of HSC Corporation Governance Regulations
  - The share issuance plan for existing shareholders and the share issuance plan for HSC Employee Stock Ownership Plan (ESOP)

The Meeting voted and approved the Agenda with 111,235,644 votes in favor, accounting for 100%; 0 against, accounting for 0%, and 0 abstentions, accounting for 0%.

**2. Report on the FY2017 activities of the Board of Directors**

According to the FY2017 AGM documents circulated to the shareholders, Mr. Do Hung Viet, the Chairman of the BoD, presented the main contents of report on the FY2017 activities of the BoD. *(See the attached document)*

### **3. Report on the FY2017 Business Performance of the Board of Management**

According to the FY2017 AGM documents circulated to the shareholders. Mr. Johan Nyvene, the Chief Executive Officer, presented the main contents of report on the FY2017 Business Performance. (See the attached document)

### **4. FY2018 Business plan**

According to the FY2017 AGM documents circulated to the shareholders. Mr. Johan Nyvene, the Chief Executive Officer (CEO), proposed to approve the FY2018 business plan. (See the attached document)

### **5. Report on the FY2017 Company's operation of the BOS**

Pursuant to Item d, Section 1, Article 51 of the Company Charter, Mr. Vo Van Chau, Head of the BOS, reported on the review of HSC's FY2017 Balance Sheet and Income Statement and confirmed that these reports fairly and truly reflected the Company's financial situation.

### **6. Election of an additional member of the Board of Directors for the term IV (2016 -2020)**

6.1 According to the FY2017 AGM documents circulated to the shareholders, Mr. Do Hung Viet, the Chairman of the BoD, proposed to approve the resignation of a member cum Vice Chairman of the BoD and the list of candidate(s) for such available position for the term IV (2016 -2020).

The Meeting voted and approved the resignation and the list of candidates with 106,368,672 votes in favor, accounting for 95.63%; 2,411,527 votes against, accounting for 2.17%, and 2,196,780 abstentions, accounting for 1.98%.

6.2 Based on the list of candidate(s) nominating/ nominated for the member of the BoD for the term IV (2016 – 2020), Ms. Nguyen Anh Xuan Trang, Head of the Vote – counting Committee, presented briefly the curriculum vitae of the candidate Mr. Lam Hoai Anh nominated by Hochiminh city Finance and Investment state-owned Company (HFIC).

6.3 Ms. Nguyen Anh Xuan Trang, Head of the Vote – counting Committee, presented the regulation on election of an additional member of the BoD for the term IV (2016 – 2020) and proposed to approve the regulation on election.

The Meeting voted and approved the regulation on election with 111,235,644 votes in favor, accounting for 100%; 0 against, accounting for 0%, and 0 abstentions, accounting for 0%.

6.4 The Meeting elected an additional member of the Directors'Board for the term IV(2016 – 2020)

### **7. Proposals to approve**

#### **7.1 The Audited Financial Statements for the year ended 31 December 2017**

Mr. Le Anh Minh, Vice Chairman of the BoD, proposed to approve the Audited Financial Statements for the year ended 31 December 2017. (See the attached document)

#### **7.2 FY2017 final cash dividend rate**

Mr. Le Anh Minh, Vice Chairman of the BoD, proposed to approve FY2017 final cash dividend rate . (See the attached document)

#### **7.3 FY2018 dividend plan**

Mr. Le Anh Minh, Vice Chairman of the BoD, proposed to approve FY2018 dividend plan. (See the attached document)

#### 7.4 FY2017 profit distribution

Mr. Pham Nghiem Xuan Bac, member of the BoD, proposed to approve FY2017 profit distribution plan. *(See the attached document)*

#### 7.5 Appointment of the independent audit firm for the fiscal year 2018

Mr. Pham Nghiem Xuan Bac, member of the BoD, proposed to approve the appointment of the independent audit firm for the fiscal year 2018. *(See the attached document)*

#### 7.6 Amendent of HSC Charter

Mr. Pham Nghiem Xuan Bac, member of the BoD, proposed to approve the amendent of HSC Charter. *(See the attached document)*

#### 7.7 Amendent of HSC Corporation Governance Regulations

Mr. Pham Nghiem Xuan Bac, member of the BoD, proposed to approve the amendent of HSC Corporation Governance Regulations. *(See the attached document)*

#### 7.8 The share issuance plan for existing shareholders and the share issuance plan for HSC Employee Stock Ownership Plan (ESOP)

Mr. Johan Nyvene, the Chief Executive Officer (CEO), proposed to approve the share issuance plan for existing shareholders and the share issuance plan for HSC Employee Stock Ownership Plan (ESOP). *(See the attached document)*

### V. DISCUSSION AND VOTING OF THE MEETING

#### 1. Discussion

Apart from queries about reports and proposals answered by the Chair, the Meeting also had the others as below:

##### Questions and answers (Q&A):

**Question 1:** What will be the orientation of new products from HSC in the period of 2018-2019, especially the derivatives products in the future?

**Answer:** In 2017, HSC introduced the Futures contract and was one of the pioneers in the market. HSC is and will be investing much of its time, human resources, trading system and technology to prepare for the introduction of many upcoming products. ETF is a product resulting from the collaboration between HSC and Asset Management Firm VFM. From 2017 to the beginning of 2018, ETF attracted significant amount of investment capital from foreign investors and was considered a new investment channel in the Vietnam stock market. Up to the first quarter of 2018, ETF fund is being valued at nearly 220 million US dollar. Besides, HSC is also focusing on the Futures contract. It accounts for 22 to 25 percent market share and nearly one third of the total market where mostly individual investors trade. It will be expanded to the institutional investors in the coming future.

**Question 2:** Would the Board of Directors kindly share the total value of Corporate Finance Consulting business line in 2018 and the expected percentages of completion in 2018?

**Answer:** According to the business results report in 2017 and the first quarter of 2018, HSC has been having many significant deals. In which, a deal was already signed; a deal is in the finalization and signing process; a deal has just started on negotiation. Thus, HSC cannot confirm the total value of this consulting business. However, HSC is now having a significant deal with a Media firm named

Yeah1. According to the preliminary results, the success level of this deal is quite high (being valued at nearly 400 million US dollar). Yet, in the Corporate Finance Consulting business, HSC can only present the success probability in its capability to sign contracts in the future, but not specific figures on the total value of the Corporate Finance Consulting business.

**Question 3:** What would the Board of Directors think about the level of margin lending in the current stock market? What are the risks when HSC continues to increase margin lending in 2018 with the new increasing capital?

**Answer:** With the capital expected to increase through the issuance plan in 2018 submitted in the Annual General Meeting, the capital cannot only be used for margin lending, but also for the orientation of Investment Banking. Margin lending is well-funded through issuance of bonds and bank loans. However, the most important factor is ensuring the financial safety ratio according to the law. The current margin lending is increasing due to rising liquidity in the market. Hence, HSC aims for better risk management and compares with other securities brokerage firms to provide appropriate measurement for risk mitigation for investors.

## 2. Voting

### **Content 1: Amendment of HSC Charter**

The Meeting voted and approved the following issues referring to the amendment of HSC Charter:

- To approve the draft of amended HSC Charter (*Attached file*)
- To authorize the BoD to amend some articles of HSC Charter, which covered the approval of the AGM.
- To authorize the legal representative to sign the amended HSC Charter. The amended HSC Charter shall be effective immediately at the date of AGM 's approval which is 26 April 2018. The current version of HSC Charter approved dated 24 April 2017 shall be replaced.

The Meeting had taken a vote on the amendment of HSC Charter. And the result was:

- 106,364,472 votes in favor, accounting for 95.62%
- 2,411,527 votes against, accounting for 2.17%
- 2,200,980 abstentions, accounting for 1.98%

### **Content 2: Report on the FY2017 activities of the Board of Directors**

The Meeting had taken a vote on the report on the FY2017 activities of the Board of Directors. And the result was:

- 110,978,486 votes in favor, accounting for 99.77%
- 0 votes against, accounting for 0%
- 0 abstentions, accounting for 0%

### **Content 3: Report on the FY2017 Business Performance of the Board of Management**

The FY2017 Business Performance of Ho Chi Minh City Securities Corporation has some main indicators as below:

DESCRIPTION	Y2017	Y2016	% Change	Y2017 Plan	% Y2017 Plan
<b>INCOME STATEMENT (VND mil)</b>					
<b>Revenues</b>	<b>1,540,043</b>	<b>824,245</b>	<b>87%</b>	<b>1,011,913</b>	<b>152%</b>
Brokerage fee	601,942	348,957	72%	451,533	133%
Income from loans	439,219	343,657	28%	412,300	107%
Gain from proprietary investments	428,248	99,026	332%	110,630	387%
Financial advisory services	45,179	24,602	84%	32,900	137%
Other revenues	25,455	8,003	218%	4,550	559%
<b>Operating expenses</b>	<b>847,720</b>	<b>439,651</b>	<b>93%</b>	<b>561,136</b>	<b>151%</b>
<b>Profit before tax</b>	<b>692,601</b>	<b>385,383</b>	<b>80%</b>	<b>450,778</b>	<b>154%</b>
<b>Profit after tax</b>	<b>554,059</b>	<b>304,531</b>	<b>82%</b>	<b>361,052</b>	<b>153%</b>
<b>BALANCE SHEET AT THE YEAR END (VND mil)</b>					
Total asset	6,680,572	3,616,842	85%	3,845,039	174%
Owners' equity	2,791,161	2,391,917	17%	2,456,536	114%
<b>FINANCIAL INDICATORS</b>					
Return on average assets (ROAA)	10.8%	9.1%	18.7%	9.4%	
Return on average equity (ROAE)	21.4%	13.0%	64.6%	14.7%	
<b>EQUITY'S VALUE</b>					
Number of outstanding shares	129,570,368	127,155,368	2%	129,655,368	100%
Earnings per share EPS – VND	4,289	2,395	79%	2,785	154%
Book value per share – VND	21,542	18,811	15%	18,947	114%

The Meeting had taken a vote on the FY2017 Business Performance. And the result was:

- 110,977,658 votes in favor, accounting for 99.77%
- 0 votes against, accounting for 0%
- 968 abstentions, accounting for 0%

#### **Content 4: FY2018 Business plan**

The FY2018 Business plan of HSC has some the following assumptions:

##### **1 Trading value and brokerage market share**

Based on the daily average trading value over the past 5 years and projection of market trends in the coming period, the Board of Management has made some assumptions on the trading value and brokerage market share of HSC in 2018 as follows:

BROKERAGE MARKET SHARE	2018 Target	2017 Actual	% Change	Q1/2018 Actual
Average daily trading value (VND million)	8,000,000	5,000,000	60%	8,936,000
Total brokerage market share	11.3%	11.3%		12.3%
Retail brokerage	7.0%	6.4%		7.3%
Institutional brokerage	3.8%	4.5%		3.8%
Proprietary trading of HSC	0.5%	0.4%		1.2%
<b>Market share per client type</b>				
HSC's local/ Local market	9.5%	8.6		10.2%
HSC's foreign/ Foreign market	28.0%	33.1%		26.5%

## 2 Margin lending transactions

MARGIN LENDING (VND million)	2018 Target	2017 Actual	% Change	1Q/2018 Estimate	% 2018 Target
Average margin balance	4,500,000	3,237,878	39%	4,667,000	104%
<i>In which:</i>					
Retail clients	4,240,000	3,024,778	40%	4,461,000	105%
Institutional clients	260,000	213,100	22%	206,000	79%

## 3 Bank interest rate

BANK INTEREST RATE	2018 Target	2017 Actual
Average bank deposit rate (% p.a.)	6.0%	5.7%
Interest rate (% p.a.)	8.5%	7.8%

The financial indicators in the FY2018 Business plan of HSC as follow:

DESCRIPTION (VND million)	2018 Target	2017 Actual	% Change	1Q/2018 Estimate	% 2018 Target
<b>INCOME STATEMENT</b>					
<b>Revenues</b>	<b>2,110,156</b>	<b>1,390,005</b>	<b>52%</b>	<b>621,619</b>	<b>29%</b>
Brokerage fees	911,862	601,942	51%	232,946	26%
Income from loans	607,500	439,219	38%	152,340	25%
Gian from proprietary investments	435,999	277,932	57%	174,447	40%
Financial advisory services	137,620	45,179	205%	58,684	43%

DESCRIPTION (VND million)	2018 Target	2017 Actual	% Change	1Q/2018 Estimate	% 2018 Target
Other revenues	17,175	25,733	- 33%	3,202	19%
<b>Operating expenses</b>	<b>1,070,783</b>	<b>697,404</b>	<b>54%</b>	<b>232,261</b>	<b>22%</b>
<b>Profit before tax</b>	<b>1,039,373</b>	<b>692,601</b>	<b>50%</b>	<b>389,359</b>	<b>37%</b>
<b>Profit after tax</b>	<b>818,717</b>	<b>554,059</b>	<b>48%</b>	<b>311,749</b>	<b>38%</b>
<b>BALANCE SHEET</b>					
Total asset	6,322,331	6,680,572	-5%	6,776,806	83%
Shareholders' equity	3,347,678	2,791,161	20%	3,090,910	81%
<b>FINANCIAL INDICATORS</b>					
Return on average assets (ROAA)	12.9%	10.8%		4.6%	
Return on average equity (ROAE)	24.5%	21.4%		10.6%	
<b>EQUITY'S VALUE</b>					
Average number of shares	189,405,505	129,570,368	47%	129,570,368	68%
Earnings per share EPS – VND	4,323	4,289	1%	2,406	56%
Book value per share – VND	17,675	21,542	-18%	23,855	135%

The Meeting had taken a vote on the FY2018 Business Plan. And the result was:

- 110,970,626 votes in favor, accounting for 99.76%
- 0 votes against, accounting for 0%
- 8,000 abstentions, accounting for 0.01%

#### **Content 5: Report on the FY2017 Company's operation of the BoS**

The Meeting had taken a vote on the FY2017 Company's operation of the BoS. And the result was:

- 110,973,458 votes in favor, accounting for 99.76%
- 0 votes against, accounting for 0%
- 5,168 abstentions, accounting for 0.01%

#### **Content 6: Approval of the FY2017 Audited Financial Statements**

The Meeting voted and approved the FY2017 Audited Financial Statements including:

- Report of the Board of Managers;
- Independent Auditors' Report;
- Balance sheet as at 31 December 2017;
- Income Statement for the year ended 31 December 2017;
- Cash flow statement;
- Statement of changes in equity;
- Notes to the financial statements,

In which:



Some key items in the FY2017 Financial Statements of HSC as below:

Unit: Vietnamdong

No.	Items	Performance of Y2017	Performance of Y2016
1	Total assets	6,680,572,043,521	3,616,842,334,688
2	Net revenue	1,540,042,600,129	824,244,576,700
3	Profit before tax	692,600,803,982	385,383,289,422
4	Profit after tax	554,059,163,742	304,530,981,303

The Meeting had taken a vote on the FY2017 Audited Financial Statements. And the result was:

- 110,966,458 votes in favor, accounting for 99.76%
- 0 votes against, accounting for 0%
- 12,168 abstentions, accounting for 0.01%

#### **Content 7: FY2017 final cash dividend**

According to Resolution No. 01/2017/NQ-ĐHĐCĐ dated 24 April 2017, the AGM had approved the FY2017 cash dividend rate of 12% (*equivalent to VND1.200/ share*). HSC issued the first cash dividend advance in 2017 at 6%, which was paid to shareholders on 24 January 2018.

The FY2017 AGM approved the FY2017 final cash dividend as below:

- Dividend pay-out rate: 15% of par value (*equivalent to VND 1,500 per share*)
- Payment method: In cash
- Implementation time:
  - Expected record date: 18 May, 2018
  - Expected payment date: 08 June 2018
- Personal income tax (PIT): The AGM authorizes the BoD to deduct the PIT of the shareholders for the dividend income, and on behalf of the shareholders, HSC will pay their deducted PIT to the Tax authority in accordance with the law regulations.

The Meeting had taken a vote on the FY2017 final dividend rate. And the result was:

- 101,962,120 votes in favor, accounting for 91.66%
- 15 votes against, accounting for 0%
- 9,016,491 abstentions, accounting for 8.11%

#### **Content 8: FY2018 dividend plan**

FY2018 dividend plan as follow:

- Dividend rate: The AGM authorizes the BoD to decide FY2018 dividend rate based on HSC financial performance at the dividend payment time, in which the FY2018 dividend payout rate ranges from 15% (*equivalent to VND1,500 per share*).
- Payment method: In cash
- Implementation time: The AGM authorized the BoD to choose the suitable date to pay the FY2018 dividend.

- Personal income tax (PIT): The AGM authorizes the BoD to deduct the PIT of the shareholders for the dividend income, and on behalf of the shareholders, HSC will pay their deducted PIT to the Tax authority in accordance with the law regulations.

The Meeting had taken a vote on the FY2018 dividend plan. And the result was:

- 101,966,335 votes in favor, accounting for 91.67%
- 0 votes against, accounting for 0%
- 9,012,291 abstentions, accounting for 8.10%

#### Content 9: FY2017 profit distribution plan

In 2017, the profit after tax of HSC was VND 554,059,163,742 and expected to allocate as below:

Unit: Vietnamdong

No	ITEMS	Y2017		Y2016	
		% of profit after tax	AMOUNT (VND)	% of profit after tax	AMOUNT (VND)
I	PROFIT BEFORE TAX		692,600,803,982		385,383,289,422
II	PROFIT AFTER TAX	100%	554,059,163,742	100%	304,530,981,303
III	PROPOSED PROFIT AFTER TAX DISTRIBUTION	65.21%	361,302,249,226	93.47%	284,638,286,580
1	Appropriation to Equity Funds	14.60%	80,893,588,970	20.00%	60,906,196,261
	<i>Supplementary capital reserve</i>	2.30%	12,743,836,298	5.00%	15,226,549,065
	<i>Compulsory reserve fund</i>	2.30%	12,743,836,298	5.00%	15,226,549,065
	<i>Welfare and reward fund</i>	10.00%	55,405,916,374	10.00%	30,453,098,130
2	Cash dividend payment	49.11%	272,097,772,800	71.97%	219,164,125,600
	<i>Interim dividend (6% of per value)</i>	14.03%	77,742,220,800	20.88%	63,577,684,000
	<i>Proposed final dividend (15% of per value)</i>	35.08%	194,355,552,000	51.09%	155,586,441,600
3	Remuneration and budget for the Board of Directors and the Supervisory Board	1.50%	8,310,887,456	1.50%	4,567,964,720
IV	RETAINED PROFIT (IV)=(II)-(III)	34.79%	192,756,914,516	6.53%	19,892,694,723
V	RETAINED PROFITS OF AT THE BEGINNING OF THE YEAR		381,483,606,934		361,590,912,211
VI	TOTAL RETAINED EARNINGS AT THE END OF THE YEAR (VI)=(IV)+(V)		574,240,521,450		381,483,606,934

The Meeting had taken a vote on the FY2017 profit distribution plan. And the result was:

- 101,845,093 votes in favor, accounting for 91.56%
- 15 votes against, accounting for 0%
- 9,131,861 abstentions, accounting for 8.21%

#### **Content 10: Appointment of the independent audit firm for the fiscal year 2018**

The Meeting voted and approved the authorization the BoD to appoint one of the Big 4 independent audit firms to audit HSC FY2018 Financial Statements and review HSC FY2018 quarterly Financial Statements in accordance with the law regulations. The four independent audit firms are the firms approved by the State Securities Commission of Vietnam (SSC) to audit issuing organizations, listed and securities trading companies. List of four independent audit firms is as below:

1. Ernst & Young Vietnam Co., Ltd.
2. KPMG Vietnam Co., Ltd
3. Price Waterhouse Coopers Vietnam Co., Ltd
4. Deloitte Vietnam Co., Ltd

The Meeting had taken a vote on the appointment of the independent audit firm for the fiscal year 2018. And the result was:

- 110,969,979 votes in favor, accounting for 99.76%
- 0 votes against, accounting for 0%
- 7,000 abstentions, accounting for 0.01%

#### **Content 11: Amendment of HSC Corporation Governance Regulations**

The Meeting voted and approved the following issues referring to the amendment of HSC Corporation Governance Regulations:

- To approve the draft of HSC Corporation Governance Regulations (*Attached file*).
- To authorize the Chairman to sign the amended regulations of HSC Corporation Governance.

The Meeting had taken a vote on the amendment of HSC Corporation Governance Regulations. And the result was:

- 106,364,472 votes in favor, accounting for 95.62%
- 2,411,527 votes against, accounting for 2.17%
- 2,200,980 abstentions, accounting for 1.98%

#### **Content 12: The share issuance for existing shareholders using capital resources of owners' equity to increase charter capital (*Issuance of bonus shares*)**

The Meeting voted and approved the share issuance for existing shareholders using capital resources of owners' equity to increase charter capital (*Issuance of bonus shares*). The details are as below:

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: 129,569,168 shares (*One hundred twenty-nine million five hundred sixty-nine thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 187,590 shares (*One hundred eighty-seven thousand five hundred ninety*) shares (*at 31 March 2018*)

7. Estimated number of issued shares: 86,379,445 shares (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares
8. Total value of issuance at par value: VND 863,794,450,000 (*Eight hundred sixty-three billion seven 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 canceled.
15. Capital sources: Undistributed earnings and Share premium based on the FY2017 Audited Financial Statement  
In which:
  - Value of the Undistributed earnings: VND 533,450,651,501 (*Five hundred thirty-three billion four 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 after receiving the approval from the State Securities Commission.
17. The Annual General Shareholders' Meeting ("AGM") authorizes the Board of Directors to:
  - Select the record date for the list of shareholders to the issuance shares to increase the owner's equity (bonus shares) for the existing shareholders as soon as possible after receiving Approval Certificate 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 for existing shareholders in accordance with regulations of the Company Charter and the documents guiding the implementation of Law;
  - Register and list all of issued shares for 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.

The Meeting had taken a vote on the share issuance for existing shareholders using capital resources of owners' equity to increase charter capital (*Issuance of bonus shares*). And the result was:

- 70,867,797 votes in favor, accounting for 63.71%
- 2,597,872 votes against, accounting for 2.34%
- 37,511,300 abstentions, accounting for 33.72%

### **Content 13: The share issuance offering to existing shareholders**

The Meeting voted and approved the share issuance offering to existing shareholders. The details are as below

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: 129,569,168 (*One hundred twenty-nine million five hundred sixty-nine thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 187,590 (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares (*at 31 March 2018*)
7. Estimated number of issued shares: 86,379,445 (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares
8. Total value of issuance at par value: VND 863,794,450,000 (*Eight hundred sixty-three billion seven 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. Total value of issuance at offering price: VND 1,209,312,230,000 (*One thousand two hundred and nine billion three hundred and twelve 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. Dealing with the remaining of shares from existing shareholders that do not carry out the purchasing right (*if any*):

For the number of unissued shares refused to be purchased by the existing shareholders, the Annual General Shareholders' Meeting ("AGM") authorizes the Board of Directors ("BoD") to continue offering them to other investors which will be chosen and decided by the BoD, with the offering price not lower than the one offered for existing shareholders.

18. 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.
19. Expected time of issuance: In 2018 after receiving the approval from the State Securities Commission.
20. The Annual General Shareholders' Meeting ("AGM") authorizes the Board of Directors to:
- Select the record date for the list of shareholders to the right to purchase shares under the issuance plan for 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 for existing shareholders in accordance with regulations of the Company Charter and the documents guiding the implementation of Law;
  - Register and list all of issued shares for 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.

The Meeting had taken a vote on the share issuance offering to existing shareholders. And the result was:

- 70,872,107 votes in favor, accounting for 63.71%
- 2,597,872 votes against, accounting for 2.34%
- 37,507,300 abstentions, accounting for 33.72%

**Content 14: The share issuance for employees stock ownership plan (ESOP 2018)**

The Meeting voted and approved the share issuance for employees stock ownership plan (ESOP 2018). The details are as below:

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: 129,569,168 (*One hundred twenty-nine million five hundred sixty-nine thousand one hundred sixty-eight*) shares
6. Number of treasury shares: 187,590 (*Eighty-six million three hundred seventy-nine thousand four hundred forty-five*) shares (*at 31 March 2018*)

7. Estimated number of issued shares: 6,478,000 (*Six million four hundred seventy-eight thousand*) shares
8. Issue price: VND 14,000/ Share (*Fourteen thousand dong per share*)
9. Total value of issuance at par value: VND 64,780,000,000 (*Sixty-four billion seven hundred eighty million dong*)
10. Total value of issuance: 90,692,000,000 (*Ninety billion six hundred ninety-two million dong*)
11. Subscription ratio: 5% (*Five percentage*)
12. Capital sources: The Company's Welfare and Reward Fund as at 30 April 2018 and the employees' payments  
In which:
  - Total value of the Welfare and Reward Fund: VND 34,000,000,000 (*Thirty-four billion dong*)
  - Total value of the employees' payment: VND 56,692,000,000 (*Fifty-six billion six hundred ninety-two million 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 Board of Directors 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 the employees refuse to exercise the rights to buy their allocated shares, the Board of Directors 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 or her remaining transfer-restricted shares at the price which equals his or 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 after receiving the approval from the State Securities Commission.

19. Authorization: Submit to the AGM to authorize the Board of Directors to:

- Decide the list of the employees who are allowed to purchase shares and the allocation of shares for each employee;
- 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;
- 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.

The Meeting had taken a vote on the share issuance for employees stock ownership plan (ESOP 2018). And the result was:

- 61,654,786 votes in favor, accounting for 55.43%
- 2,808,802 votes against, accounting for 2.53%
- 46,513,391 abstentions, accounting for 41.82%

The Meeting voted and approved the total value of expected additional issued shares 1,266,004,230,000 (*One thousand two hundred sixty-six billion four million two hundred thirty thousand dong*). Additional capital gained from the share issuance for existing shareholders and HSC's employees will be allocated to

- Additional capital for margin trading: VND 1,000,000,000,000  
(*A thousand billion dong*)
- Additional capital for using proprietary investment: VND 266,004,230,000  
(*Two hundred sixty-six billion four million two hundred thirty thousand dong*)

The AGM authorize the Board of Directors 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.

The Meeting had taken a vote on the capital gained from the share issuance for existing shareholders and HSC's employees. And the result was:

- 61,654,786 votes in favor, accounting for 55.43%
- 2,808,802 votes against, accounting for 2.53%
- 46,513,391 abstentions, accounting for 41.82%

**Content 15: The dismissal of member cum Vice Chairman of the Board of Directors and the list of candidates to nominate to the Board of Directors for the term IV (2016 – 2020)**

The Meeting voted and approved the dismissal of member cum Vice Chairman of the Board of Directors and the list of candidates to nominate to the Board of Directors for the term IV (2016 – 2020). The details are as below:



- Mr. Nguyen Thanh Liem is dismissed from a member cum Vice Chairman of HSC's Board of Directors effectively on 26 April 2018. (*On 07 March 2018, the BoD has received the resignation letter of Mr. Nguyen Thanh Liem, in which Mr. Nguyen Thanh Liem would like to resign from the position of member cum Vice Chairman of HSC's Board of Directors.*)
- The list of candidates nominated as a member of the Board of Directors for the term IV (2016 – 2020) as below:

Full name: Mr. Lam Hoai Anh

Date of birth: 23 October 1972

Nationality: Vietnamese

Citizen identity card number: 001072008603 dated 01 June 2016 at Police Department

Permanent address: 290/9 Nam Ky Khoi Nghia Street, Ward 8, District 3, HCM City

The Meeting had taken a vote on the dismissal of member cum Vice Chairman of the Board of Directors and the list of candidates to nominate to the Board of Directors for the term IV (2016 – 2020). And the result was:

- 106,368,672 votes in favor, accounting for 95.63%
- 2,411,527 votes against, accounting for 2.17%
- 2,196,780 abstentions, accounting for 1.98%

#### **VI. ELECTION RESULT OF AN ADDITIONAL MEMBER OF THE BOD FOR THE TERM (2016 – 2020)**

Mr. Lam Hoai Anh (Citizen identity card number: 001072008603 dated 01 June 2016 at Police Department) is elected as a member of the BOD for the term IV (2016 – 2020) (*Attached the election minutes*).

#### **VII. APPROVAL OF THE MINUTE AND RESOLUTION OF THE FY2017 AGM**

##### **1. Approval of the contents of the FY2017 AGM minute**

Ms. Pham Nguyen Hoang Quyen, Representative of the Secretary Committee, presented the FY2017 AGM minute.

The Meeting had taken a vote on the FY2017 AGM minute. And the result was:

- 110,978,486 votes in favor, accounting for 99.77%
- 0 votes against, accounting for 0%
- 0 abstentions, accounting for 0%

##### **2. Approval of the contents of the FY2017 AGM resolution**

Mr. Le Anh Minh, Vice Chairman of the BoD, presented the FY2017 AGM resolution.

The Meeting had taken a vote on the FY2017 AGM resolution. And the result was:

- 110,978,486 votes in favor, accounting for 99.77%
- 0 votes against, accounting for 0%
- 0 abstentions, accounting for 0%

##### **3. The closing of the FY2017 AGM**

Mr. Do Hung Viet, the Chairman, declared that the FY2017 AGM was closed.

The FY2017 AGM ended at 18:15 on the same day.

**THE CHAIR**

**MEMBER**

**CHAIRMAN**

**MEMBER**



**LE ANH MINH**

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**DO DUNG VIET**

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**PHAM NGHIEM XUAN BAC**

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**MEMBER**


**MEMBER**

**MEMBER**



**JOHAN NYVENE**

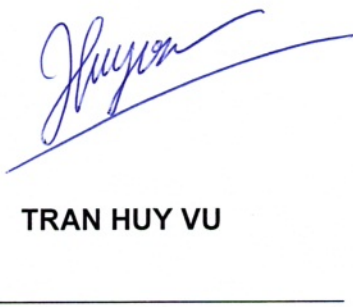
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**TRINH HOAI GIANG**

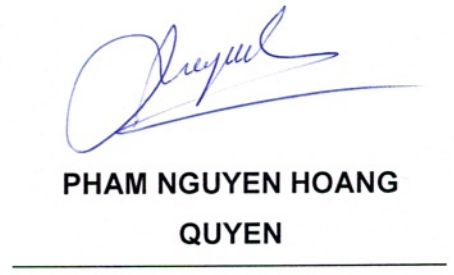
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**THE SECRETARY COMMITTEE**



**TRAN HUY VU**

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**PHAM NGUYEN HOANG  
QUYEN**

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