



No.: 12/2016/TTr-HDQT-VINGROUP

Hanoi, 27 August 2016

## PROPOSAL OF THE BOARD OF DIRECTORS

### Re: Appropriation plan for capital surplus

Respectfully submitted to:

GENERAL MEETING OF SHAREHOLDERS  
OF VINGROUP JOINT STOCK COMPANY

#### A. Appropriation plan for capital surplus:

Based on the financial statements audited by Ernst & Young Vietnam Limited, the accumulative capital surplus as at 31 March 2016 of Vingroup Joint Stock Company (“**Vingroup**”) is **VND7,305,670,215,676**.

The Board of Directors (the “**BOD**”), therefore, would like to submit to the General Meeting of Shareholders (the “**GMS**”) of Vingroup the Appropriation plan for capital surplus to increase charter capital by issuing new shares as follows:

1. **Method:** Using capital surplus to increase charter capital by issuing shares to existing shareholders.
  - 1.1 **Eligibility:** Existing shareholders in the shareholder register of record on the record date as provided by Vietnam Securities Depository (VSD).
  - 1.2 **Form of distribution:** the new shares shall be distributed by means of exercising shareholders’ right.
  - 1.3 **Distribution ratio:** distributed at the ratio of **1,000:225** to existing shareholders as at the record date (for every 1,000 shares, each existing shareholder will be entitled to receive 225 new shares). The total number of new shares to be issued is 484,477,828 shares, equivalent to a par value of VND4,844,778,280,000.
  - 1.4 **Features of distributed shares:** Shares to be distributed are ordinary shares with par value of VND10,000/share and have been fully paid for.
  - 1.5 **Treatment of fractional shares:** The number of shares to be distributed will be rounded down to the nearest integer number; fractional shares (if any) will be cancelled.  
For example: Nguyen Van A, who owns 789 VIC shares, will be eligible to receive  $789 \times 125 / 1,000 = 177,525$ , which would be rounded down to 177 VIC shares.
  - 1.6 The positive difference in value between Vingroup’s intended capital surplus appropriation and the total par value of shares actually distributed to eligible shareholders will remain as capital surplus of Vingroup.
  - 1.7 **Capital source:** from cumulative capital surplus as at 31 March 2016  
According to the consolidated financial statements audited by Ernst & Young Viet Nam Limited, the accumulative capital surplus of Vingroup as at 31 March 2016 is **VND7,305,670,215,676**.
  - 1.8 **Tentative schedule for execution:** Quarter IV/2016
2. **Structure of the charter capital after share issuance:**

- Type of share: Ordinary share
  - Par value: VND10,000/share
  - Total number of current outstanding shares: 2,153,234,792 shares
  - Total number of shares planned to issue: 484,477,828 shares
  - Charter capital after the issuance (at par value) is expected to increase by VND4,844,778,280,000 at maximum (In words: Four trillion, eight hundred forty-four billion, seven hundred seventy-eight million, two hundred and eighty thousand Viet Nam Dong).
  - Expected total number of shares post-issuance: 2,637,712,620 shares  
Expected charter capital post-issuance: VND26,377,126,200,000
  - Limitations of the issuance: The additional shares to be issued from the distribution of capital surplus to existing shareholders are not subject to transfer limitations.
3. The new shares from the appropriation plan for capital surplus issued to existing shareholders (based on the actual results of distribution) will be registered with the Vietnam Securities Depository Center (VSD) and listed on the Ho Chi Minh City Stock Exchange (HOSE).
- The specific date for additional listing will be decided by the Chairman of the BOD.

**B. Implementation:**

To ensure efficient and expeditious implementation of the share issuance, the BOD would like to submit for GMS approval to authorize the Chairman of the BOD and the legal representative to organize the implementation in accordance with internal division of responsibilities and functions, including but not limited to the following tasks:

1. Complete all required procedures, consider and determine details of the appropriation plan in compliance with statutory regulations and Vingroup's Charter to preserve the interests of shareholders.
2. Decide the timing of the stock dividend distribution to eligible shareholders.
3. Complete all necessary procedures to increase the charter capital and amend the Charter corresponding to the distribution results.
4. Complete all necessary procedures for depositing and listing of the newly issued shares at VSD and HOSE respectively.

Respectfully submitted for GMS consideration and approval.

Thank you very much.

Sincerely yours,

To:

- *As stated above;*
- *Vingroup archives.*

**ON BEHALF OF THE BOD  
CHAIRMAN**

*(signed & sealed)*

**Pham Nhat Vuong**