



VINGROUP JOINT STOCK COMPANY



THE SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness



Hanoi, 15 May 2018

PROPOSAL OF THE BOARD OF DIRECTORS

Re: the Appropriation Plan for 2017 and Quarter I, 2018 retained earnings

To: THE ANNUAL GENERAL MEETING OF SHAREHOLDERS

As at 31 December 2017, Vingroup Joint Stock Company's ("**Vingroup**") undistributed earnings were **VND 2,865,304,928,042** as stated in the separate financial statements of Vingroup, audited by Ernst & Young Vietnam Limited.

As at 31 March 2018, Vingroup's undistributed earnings were **VND 5,653,189,097,657** as stated in the Quarter I, 2018 separate financial statement of Vingroup.

The Board of Directors (the "**BoD**") would like to submit to the Annual General Meeting of Shareholders (the "**AGM**") for approval of the Appropriation Plan for 2017 undistributed earnings as follows:

- I. To transfer VND 5,000,000,000 (five billion dong) to the Reserve Fund, as specified in the Charter of the Company.
- II. To distribute stock dividends to existing shareholders, details as follows:
 1. Eligibility: existing shareholders on Shareholder Register on the last date of registration to receive stock dividends.
 2. Form of distribution: Stock dividends shall be distributed to shareholders according to the determined ratio when they exercise their rights.
 3. Ratio: distributed at the ratio of 1,000:210 to eligible shareholders on the record date (each eligible shareholder who holds 1,000 shares shall be entitled to receive 210 shares as dividends), of which:
 - (i) To pay stock dividends from the cumulative retained earnings as at 31 December 2017 at the ratio of 1,000:100. The total amount of dividends to be distributed is VND 2,637,707,950,000 (in words: *two trillion, six hundred and thirty seven billion, seven hundred and seven million, nine hundred and fifty thousand dong*), equivalent to VND 1,000 per share.
 - (ii) To pay stock dividends from the cumulative retained earnings as of 31 March 2018 at the ratio of 1,000:110. The total amount of dividends to be distributed is VND 2,901,478,750,000 (in words: *two trillion, nine hundred and one billion, four hundred and seventy eight million, seven hundred and fifty thousand dong*), equivalent to VND 1,100 per share.
 4. The total number of shares including additional shares to be issued is approximately 3,191,626,624 shares, equivalent to a total par value of VND 31,916,266,240,000 (in words: *thirty one trillion, nine hundred and sixteen billion, two hundred and sixty six million, two hundred and forty thousand dong*).
 5. Type of distributed shares: Fully paid-up ordinary shares with par value of VND10,000/share.
 6. 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 $789 \times 210 / 1,000 = 165.69$, which would be rounded down to 165 VIC shares, the fractional shares will be cancelled.

The positive difference in value between Vingroup's retained earnings and the total par value of shares actually distributed to eligible shareholders will remain as retained earnings of Vingroup.

7. Source of Capital: Retained earnings as at 31 December 2017 and Quarter I, 2018.
As stated in the separate financial statements audited by Ernst & Young Viet Nam Limited, the cumulative retained earnings of Vingroup as at 31 December 2017 is VND **2,865,304,928,042** and the retained earnings for Quarter I, 2018 is approximately VND **5,653,189,097,657**.
8. Expected timing of distribution: Quarter II, 2018
9. Structure of charter capital after the issuance
 - Total number of outstanding shares: 2,637,707,954 shares
 - Total number of shares to be issued: 553,918,670 shares
 - Type of share: ordinary share
 - Par value: VND10,000/share
 - Expected total number of shares including the additional shares to be issued: 3,191,626,624 shares
 - The charter capital after the issuance (at par value) is expected to increase to VND 31,916,266,240,000 (in words: *thirty one trillion, nine hundred and sixteen billion, two hundred and sixty six million, two hundred and forty thousand dong*).
 - Restrictions: the additional shares to be issued as stock dividends to eligible shareholders are not subject to any transfer restrictions.
10. The number of newly issued shares to eligible shareholders (based on the actual results of the distribution) will be registered with the Vietnam Securities Depository Center (“VSD”) and listed on the Ho Chi Minh Stock Exchange (“HOSE”).
The specific date for additional listing will be decided by the Chairperson of the BoD.

III. The remaining retained earnings will be added to the operating capital of Vingroup.

IV. Authorization to implement:

To ensure the efficient and expeditious implementation of the share issuance, the BoD would like to submit to the AGM for approval of authorizing the Chairperson of the BoD to perform necessary tasks, including but not limited to:

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

Kindly submit for AGM consideration and approval.

Thank you./.

To:

- As stated above;

**ON BEHALF OF
THE BOARD OF DIRECTORS**

- *Vingroup archives.*

**PHAM NHAT VUONG
CHAIRMAN**