



Quy Nhon City, August 11, 2017

**DECISION OF  
EXTRAORDINARY SHAREHOLDERS'S MEETING 2017**

- Based on Company Law 2014 throughed by Socialist Republic of Viet Nam National Essembly dated 26/11/2014;
- Based on Regulation of Phu Tai Corporation;
- Based on the minutes of extraordinary General meet of shareholders 2017, dated 11/08/2017;
- Based on the documents of extraordinary General meet of shareholders 2017, dated 11/08/2017;

The extraordinary shareholders's meeting 2017 of Phu Tai Corporation carry out meeting on August 11, 2017 at head office, 278 Nguyen Thi Dinh Street, Quy Nhon City, Binh Dinh Province.

Total shareholders of company are 1.981 shareholders. Total owned shares are 25.920.194 shares

Total shareholders attend meeting 43 shareholders who reperesent 274 shareholders with 18.719.727 shares, ratio 72,22 percent on chartered capital.

The whole of General meeting concentrate to discuss and decide:

**GENERAL MEETING OF SHAREHOLDERS  
PHUTAI CORPORATION  
DECIDE**

**Article 1: Through the plan of issuing shares increase the capital and use the capital gained from the release:**

- Existing capital: 259.201.940.000 VND.
- The expected capital increase in the release: 64.800.470.000 VND.
  - + Issued to existing shareholders: 51.840.380.000 VND.
  - + Released under the program of choice for workers: 12.960.090.000 VND.
- The capital after increase: 324.002.410.000 VND.

**I. Details the plan release to increase capital of the company 2017 as follows:**

**1. Released shares offered to existing shareholders according to the method of implementation of the right to buy:**

- The total number of shares scheduled to release more: 5.184.038 shares
- The value of shares issued capital increasing: 51.840.380.000 VND
- Type of shares: common stock
- The face value of shares: 10.000 VND per share

- Release time: after a General Assembly of shareholders voted through and within 90 days from the date the State Securities Commission has approved comments and publish information on the mass media as a rule.
- The price offered for sale: 35.000 VND/stocks
- Objects offered for sale: shareholders named in the list of shareholders at the time to list (exclude the rights of shareholders owning the shares issued under the program of choice for workers in this release scheme in 2017).
- The transfer conditions: shares for existing shareholders is freely transferable shares.
- Payment:
  - + For shareholders who have deposited: procedures for registration of purchase and payment of shares at the depository members (TVLK) where the depository account. After the deadline, unregistered purchase rights expire.
  - + For shareholders who have not yet deposited their shares, they shall fill in the registration procedures at the head office of the company and make payment for the purchase of shares directly at the company or pay the money to the blockade account. (Block number of frozen accounts: 58110001113492 at BIDV Phu Tai bank).
- The proportion done right: 5:1 (at the closing date of the list of shareholders to make the right, shareholders owning 5 shares will be entitled to the right to buy 1 new shares under the principle of rounding down to the unit).
- The method make the right: shareholders enjoy the right of priority to buy the shares will follow the method done right. The right to buy shares are transferable according to the principle that the buyer can transfer the right to buy its stock for someone else, the assignee the right to purchase will not be transferable to third person.
- Treatment for odd stock: Number of stocks issued more rounded (down) to the unit. The number of decimals retail stocks (if any) will be cancelled.
- Methods of distribution shares not registered the right purchase: in case of selling, without success, for the residual shares by existing shareholders do not subscribe to buy off, BOD will incremental and distributed to other objects in a manner and condition consistent with the price not lower sale price for existing shareholders (35.000 VND per share).

The total number of shares issued 5.184.038 shares, the expected is 181.441.330.000 VND. The company will use total amount obtained to fund the account as follows:

No.	Content	Quantity	Value (VND)
<b>I</b>	<b>Buy the machine and equipment for Phu Cat - Binh Dinh paving wood processing factory.</b>		<b>53.056.694.000</b>
1	Log cutting off saw	2	335.220.000
2	Multi-blade saw	2	577.122.000
3	Multi-blade saw	2	584.189.000
4	Multi –blade trimming saw	2	141.336.000
5	Conveyor	2	45.300.000

6	Heads 4-slides moulder machine include	6	6.218.798.000
7	High frequency wood board joining machine	6	5.220.218.000
8	Auto planer with helical cutter	3	195.565.000
9	Double side planer	3	898.524.000
10	Tungsten carbide tip wood	1	42.657.000
11	Heads 4-slides moulder machine include	3	3.715.803.000
12	Automatic cutting	3	1.059.235.000
13	Top and bottom planer sander	1	1.498.279.000
14	Automatic finger joint line	6	3.643.728.000
15	Top and bottom planer sander	2	5.055.744.000
16	Double end tenoner ETC-84C	2	952.492.000
17	Double end tenoner ECT-44C	2	930.700.000
18	10-ton boilers burn wood	2	4.560.000.000
19	Steam line system	1	584.784.000
20	Boiler contributes 1,000 liters	1	145.000.000
21	Boiler contributes 300 liters	4	272.000.000
22	Equipment drying tunnel	36	11.880.000.000
23	Spraying system	1	4.500.000.000
<b>II</b>	<b>Buy the machine and equipment for Dien Tan – Khanh Hoa paving stone processing factory.</b>		<b>27.090.876.000</b>
1	Julun machine	28	13.160.000.000
2	Polishing machine	4	5.400.000.000
3	32- saw machine	2	1.600.000.000
4	Crane 20-tons machine	4	2.679.472.000
5	Bridge + track		883.202.000
4	Crane 3-tons machine	10	2.152.528.000
5	Bridge + track		1.215.674.000
<b>III</b>	<b>Additional working capital</b>		<b>101.293.760.000</b>
<b>Total</b>			<b>181.441.330.000</b>

## ***2. Released shares offered to employees in the company***

### ***a. Objects and selection criteria for release:***

- Managers and employees in the company who have achievement to contribute to the development of the company. In which the priority for the key employees.

- Specific criteria and a list of workers: entrust the Board of the company of choice.

*b. Plans released:*

- The total number of shares scheduled to release: 1.296.009 shares (5% per capital)
- The face value of shares: 10.000 VND per share
- The value of shares issued capital increasing: 12.960.090.000 VND
- Type of shares: common stock restricted transfer under ESOP.
- The price offered for sale: 35.000 VND/stocks
- Release time: after a General Assembly of shareholders voted through and within 90 days from the date the State Securities Commission has approved comments and publish information on the mass media as a rule.
- The transfer conditions: shares issued to employees under ESOP will be limited transfer two years since completing the release.
- Payment:

+ For shareholders who have deposited: procedures for registration of purchase and payment of shares at the depository members (TVLK) where the depository account. After the deadline, unregistered purchase rights expire.

+ For shareholders who have not yet deposited their shares, they shall fill in the registration procedures at the head office of the company and make payment for the purchase of shares directly at the company or pay the money to the blockade account. (Block number of frozen accounts: 58110001113492 at BIDV Phu Tai bank).

-The total number of shares issuer is 1.296.009 shares, the expected amount obtained is 45.360.315.000. The company will use total amount obtained to fund the account as follows:

No.	Content	Quantity	Value (VND)
<b>I</b>	<b>Buy the machine and equipment for Phu Cat - Binh Dinh paving wood processing factory.</b>		<b>9.763.617.000</b>
1	Automatic finger machine	1	3.610.425.000
2	Grafting machine	8	2.184.000.000
3	High frequency wood board joining machine	1	2.452.450.000
4	Tungsten carbide tip wood	1	121.712.000
5	Compressor machine	2	1.183.000.000
6	Cutting big wood machine	4	180.180.000
7	Log cutting machine	4	31.850.000
<b>II</b>	<b>Buy the machine and equipment for Dien Tan - Khanh Hoa paving stone processing factory.</b>		<b>8.450.000.000</b>

1	Flip-flop machine	2	400.000.000
2	Forklift	5	2.250.000.000
3	Face Charger	4	800.000.000
4	Substation	2	2.500.000.000
5	Lighting electrical system		2.000.000.000
6	Tools		500.000.000
<b>III</b>	<b>Additional working capital</b>		<b>27.146.698.000</b>
<b>Total</b>			<b>45.360.315.000</b>

## II. The method of determining the price offered for sale:

- The Board uses the book value per share estimated at the time of 30/06/2017, as well as compared with the stock's trading price the PTB on the market to serve as a basis for determining the price of shares:

- The book value:

Stt	Khoản mục	Giá trị
1	Owener's capital	879.878.482.745
2	The number of shares are floated at the time 30/06/2017	25.920.194
3	The book value for one share (VND/share)	33.945

(Source: consolidated financial statements quarterly 2/2017 of PTB)

- Market value: the average transaction price of the stock in the period from 01/01/2017 to PTB 01/08/2017 is: 125.400/stocks

- Based on strategy development and capital needs of the company, at the same time to encourage shareholders, workers and contribute to the development of the company. The Board was unanimously recommending the PTB price offered to existing shareholders and employees under the ESOP program is 35.000 VND/ share.

## III. The appreciation for dilution of stocks

**1. Expected EPS dilution level after the release of shares of the company's capital increase in 2017, as follows:**

Stt	Nội dung	Giá trị
1	Profit after income tax in 2017 (expected)	339.200.000.000
2	The number of shares in circulation at the time of release	25.920.194
3	The number of shares in circulation after the release	31.881.837
4	Earnings per shares in 2017 (expected) when not yet released	13.086
5	Earnings per shares in 2017 (expected) when completing the release	10.469

The increase in the number of shares from the release of more EPS have made expected in 2017 rising from 13.086VND/share down 10.469VND/share . However, the EPS is expected in 2017 reduction is only temporary, with funding obtained from the

release, the operation of business of the PTB in the coming time will achieve the most effective and will create EPS growth in the next year.

## **2. Reviews the degree of dilution of the stock price:**

Stock of Phu Tai Corporation was listed on the Ho Chi Minh City stock exchange (HOSE) with the stock code is PTB. So, in ex-rights date, the reference price of the PTB will be technical adjustments, the formula is as follows:

$$P_{TC} = \frac{PR_{t-1} + (I \times PR)}{1 + I}$$

*Of which:*

- PTC: reference price of the PTB in date made the right to buy the stock, receive dividends with stocks

- I: Capital ratio increased (%)

- PR<sub>t-1</sub>: the stock price of PTB before the implementation of the right to buy the stock, receive dividends with stocks

- PR: is the new stock

The company releases further stocks for existing shareholders according to the method of implementation of the right to purchase with the total number of 5,184,038 shares. The part of capital increase corresponds with the rate 20% of capital before the release. So, with plans to release more shares to the public as above will lead to the dilution of the stock and affect the rate of ownership or voting rights of the existing shareholders is reduced if existing shareholders do not make the right purchase.

In particular, assuming the reference price of the PTB stock on the day before ex-right date is 110.000 VND per share. The price adjusted on ex-right date is calculated as follows:

$$PTC = \frac{110.000 + (20\% \times 35.000)}{1 + 20\%} = 97.500$$

As such, the price of stock after the release was adjusted and rounded 97.500 VND/share, reduction of 12.500VND/share compared to the market share price on PTB previous release.

## **IV. The rate offered for sale successfully:**

The rate offered for sale successfully scheduled: 100%. In the case of end time offered for sale as a rule, the company does not sell off of stocks such as registration, proceeds from the release not enough according to expected properly to implement the project was the General Assembly of shareholders. Shareholders General Assembly authorized for the BOARD to perform the following solution:

1. Please renew the waves of selling to continue selling off the remaining stock;
2. Proceed to supplement the missing funds through bank loans under the credit contract.

## **V. Through the authorization:**

Shareholders General Assembly authorized for the Board and the representative under the law decide all matters relating to the release, in particular:

- To submit an application and explain the records for the State Securities Committee and to the other competent authorities. At the same time, actively adjust the release schemes and other relevant records at the request of the State Securities Committee and to the other competent authorities.

- Choose the appropriate time to make the right day and closing time of the deployment of the implementation.

- Through the ESOP regulations, criteria and the list of employees

- Make the disposal of shares that existing shareholders, employees waive the right to buy; stock handling travellers due to rounding; implement the measures in handling the case did not sell out of stock sign release;

- Proactively set up and adjust plan use capital particularly; actively adjusting the allocation, use the capital raised to suit the actual situation, the interests of the company and reports the most recent Shareholders General Assembly about the contents of this adjustment (if any).

- Set up a profile to register additional listing and depository shares released also: perform the procedure, the work and the choice of the right moment (committed to take stock to trade on the stock market has held within a period of one year from the date of the offer) for additional listing in the stock exchange in Ho Chi Minh City (HSX) and additional depository at Vietnamese securities depository Center (VSD) the number of shares available under the scheme was Shareholders General Assembly through after the release.

- Perform the procedures to change the content of the company's business registration related to the change of capital according to the actual results of the release with the competent State agencies after the release.

- Amendments to articles related to capital stock, shares, stock in terms of organization and activity of the company after the release of stocks.

- Implementation of other related work.

*The rate of voting unanimously 100%.*

**Article 2: Through the addition of a representative under the law and modify the name of the company:**

1. Additional representatives under the law and additional amendments clause 4, article 2, of the Charter include the following titles 2:

- Chairman of the Board

- General Director of the company

*The rate of voting unanimously 100%.*

2. Modify the name of the company and amending paragraph 1, article 2, of the Charter companies as follows:

- Vietnamese name: Công ty cổ phần Phú Tài

- English name: Phu Tai Joint Stock Company

- Abbreviated name: PTB

*The rate of voting unanimously 100%.*

3. Authorize the Board of Directors to amend and supplement the Charter of the Company for the content approved by the extraordinary shareholders' meeting in 2017.

**Article 3: Terms of execution:**

This resolution has been extraordinary General Assembly in 2017 through full text at the meeting and come into effect since signed.

The Board, the Board of Directors, and those parts that relate Phu Tai Corporation is responsible for performing the work assigned by the General Assembly of shareholders in this resolution, ensure the interests of the shareholders, and the company's compliance with the provisions of the law.

This resolution is General Assembly of shareholders voted unanimously with the rate 100%.

**Nơi nhận:**

- *State Securities Committee, Stock Exchange;*
- *Shareholders;*
- *BOD, BOC;*
- *BOM;*
- *Save.*

**FOR BOARD OF DIRECTORS  
CHAIRMAN  
(Signed and sealed)  
MR. LE VY**

