

SUBMISSION FOR APPROVAL No. 02
14TH ANNUAL GENERAL SHAREHOLDERS MEETING 2018

*Approve Incentive value for business result of 2017 and
Employee Stock Ownership Plan for 2018.*

- Pursuant to the Enterprise Law No. 68/2014/QH13 dated on 26/11/2014;
- Pursuant to the Securities Law No.70/2006/QH11 dated on 29/06/2006;
- Pursuant to the Amendment of Securities Law No. 62/2010/QH12 dated on 24/11/2010;
- Pursuant to the Charter of Cotecons Construction JSC;

Content No.1: Approve the incentive value for business result of 2017

Based on the business results achieved in 2017 and the Incentive policy for Board of Management (for period 2016-2020) following Resolution of the 13th Annual General Meeting of Shareholders No 01/2017/ĐHCĐ dated 29/6/2017, the Board of Directors Cotecons Construction Joint Stock Company reports to the Annual General Meeting of Shareholders about the incentive value as follows:

1. The ratio of incentive: 6% of profit after tax.
2. The Incentive Value: $6\% * \text{VND } 1,652,679,293,340 = \text{VND } 99,160,753,760$ (rounded VND 99,161,000,000)
3. Incentive method:
 - a. By shares (ESOP): Issuance of **900,000 shares** of Cotecons sell to key staffs.
 - b. By cash: **15,164,000,000 VND** (the remaining of the Incentive Value after less incentive amount paid by share in item (a) above, equal to: $99,161,000,000 \text{ VND} - 900,000 \text{ shares} * 93,330 \text{ VND / share}$), paid from profit after tax of the Company.

Content No.2: 2018 Employee Stock Ownership Plan

Base on the incentive value calculated in **Content No. 1** above, Board of Director of Cotecons Construction Joint Stock Company submits AGM the 2018 Employee Stock Ownership Plan (ESOP) for key staffs, details are as follows:

- Share name: Share of Cotecons Construction Join Stock Company share.
- Share type: Ordinary share.
- Par value: 10,000 VND/share.
- Number of issued shares: **900,000 shares**, equivalent to 1.15% of total share in circulation.
- Total share value at par value: 9,000,000,000 VND.
- Suggested issuance price: **56,000 VND/share** (equivalent to 60% of share book value of the 31 Dec 2017).
- Beneficiaries: Key employees depending on work position, contribution level to Company development, qualifications, capabilities, length of service at Cotecons and its subsidiaries (where Cotecons own at least 51% capital). For the service duration must be 5 years at least. Specific list will be proposed by the Board of Management and approved by the Board of Directors. Remaining unsold ESOP shares, due to refusal to buy from employee, will be sold to other key employees in the list according to BOD decision.

- Transaction restriction: all of ESOP shares will be restricted from trading 2 years since issuance date. Dismissal from work caused by violation of Company regulations or job changing to another company (outside Coteccons and Unicons or any other subsidiary of Coteccons in which Coteccons owns more than 51% at the time when the employee was moved) within transaction restriction time will result in the recall of ESOP shares at a price equal to the issuance price. Key employees owning ESOP are entitled to full rights and benefits as other ordinary shareholders (except for the transaction right within restriction time). The recalled ESOP shares shall be sold to other key employees according to BOD decision at the original issuing price
- Using the capital from the issuance: providing additional current capital for business operation
- AGM agree the ESOP issuance above and authorize Board of Directors to select appropriate issue time and perform procedures relating to the issuance including:
 - Approve the list of key employees entitled to purchase ESOP shares, the amount of ESOP shares each employee is allowed to purchase base on the allocation and propose by BOM.
 - Registering and reporting ESOP issuance result with the State Securities Commission of Vietnam.
 - Registering for the depository and additional listing of all newly issued shares in accordance to regulations of Vietnam Securities Depository and Ho Chi Minh City Stock Exchange.
 - Performing necessary procedures with Ho Chi Minh City Department of Planning and Investment to register for Charter Capital change on Business Registration Certificate and to amend Charter based on the new Charter Capital.
 - Selecting consulting firm, choosing the suitable time for and performing other necessary procedures relating to the share issuance.

The Annual General Shareholders Meeting is proposed to consider, discuss and approve for the two proposed contents mentioned above.

Ho Chi Minh City, date...22/05/2018



ON BEHALF OF BOARD OF DIRECTORS

Chairman

Mr. Nguyen Ba Duong