

APPENDIX 02

*Hanoi, March 5, 2018*

**GOVERNANCE REPORT OF VPBANK BOARD OF DIRECTORS**

**I. Assessment on business activities of the Board of Management**

2017 marked the end of the first five-year strategic transformation of VPBank. Although the Bank could have performed better in some aspects, VPBank achieved its set-fourth targets such as becoming one of the top 5 joint stock commercial banks in terms of customer loan and deposit scale and one of top 3 retail banks in terms of loans, deposits and number of customers. The results were generated from an ambitious development strategy initiated by the BOD in combination with the determination and the dedication of CEO, the Board of Management and all staff. Business models and products which were proposed and implemented in parallel with the execution of the process and customer journey digitization project contributed to the positive results in 2017 and creates a growth momentum for the Bank in the years to come. 2017 also marked an important milestone in the development of VPBank when its shares were listed and the Bank is committed to information transparency with the goal of becoming a top professional financial institution in Viet Nam.

Although some of the 2017 financial targets were not fully achieved as planned, VPBank basically fulfilled the target in the five-year strategy. Its total asset reached VND 278,000 billion, fulfilled 99% of the target, 21% up y-o-y, and doubled that in late 2012. Credit balance including corporate bonds increased to VND 197,000 billion, up 23.9% y-o-y and fulfilled 98.9% of the target. The NPL ratio was below 3%. Customer deposits including valuable papers reached VND 199,000 billion, up 16% y-o-y and fulfilled 88% of the target. However, the most encouraging result was the business efficiency represented by profit before tax of VND 8,130 billion which was much higher than the full year target and 8.6 times of that in 2012.

Given these results in 2017, the BOD highly appreciates the efforts of the CEO, the Board of Management and all the staff of the Bank in realizing the action plans to achieve the challenging targets assigned by the BOD and the AGM. Scale targets were 92%- 99% fulfilled against the plans in addition to fine-tuned product structures and improved asset quality, as a result, the total operating income and profit increased impressively and exceeded the target by 22%. Beside financial achievements, the CEO and the Board of Management also effectively implemented the BOD's directions on business expansion, competitiveness improvement via execution of product/service digitization projects, development of ecosystems to provide offerings for customers more effectively.

**II. Assessment on the BOD's performance**

**Performance by each of BOD members:** On annual basis, the BOD meets and assigns tasks for each member. Besides performing tasks of a BOD member, they can be assigned to different Committee or Councils to provide direction, supervise, leadership and decision of issues within their jurisdiction. Continuing the previous years' momentum, they utilized their experience and knowledge to deliver their tasks, including:

- Mr. Ngo Chi Dzung continues serving as BOD Chairman. He has responsibilities to prepare plan and guide overall activities and meetings of the BOD; coordinates the issues to be submitted to AGM, supervise the execution of AGM and BOD's resolutions. Mr. Dzung also serves as Chair of HR Committee and a member of the Risk Management Committee. He participates in the meetings with the Board of Management via Executives Committee (EXCO), Assets – Liabilities Committee (ALCO) .etc. to grasp information to execute the supervision over BOM. Mr. Dzung directly provides the strategic orientation of the Bank in different periods.
- Mr. Bui Hai Quan is assigned Deputy Chairman of the BOD. Where the Chairman was absent, he chairs the meetings and related activities, if any, of the BOD or Committees, Councils within the proxy from Chairman. Mr. Quan is also Chair of the Risk Management Committee and a member of the HR Committee. He also frequently participates in the meetings or serves as member of other Committees/Councils, including ALCO, Operational Risks Committee, Senior Credit Council, Debt settlement Council .etc.
- Mr. Lo Bang Giang is assigned BOD's vice Chair to manage and represent the BOD in the South. He is also Chairman of the FE Credit's BOD and a member of the Bank's Credit Council, ALCO .etc.
- Mr. Nguyen Duc Vinh is a BOD member cum CEO and Chair of ALCO, EXCO and a member of the HR Committee, Risk Management Committee, Credit Council and other Committees or sub-Committees.
- Mr. Nguyen Van Hao is a BOD independent member. He contributes significant independent comments on issues posing for voting/comments. He is also a member of the Risk Management Committee.

During 2017, all BOD members demonstrated their full efforts, commitment and responsibilities in executing and delivering their tasks at the Bank as well to assure compliance with applicable laws. Some of the specific tasks delivered in 2017 are describe below:

Executed resolutions of the AGM and other tasks authorized by the AGM:

- ✓ Executed resolutions of the AGM such as conducting procedures to raise charter capital by paying out 2016 share dividends and increasing charter capital from reserve fund for supplementing charter capital.
- ✓ Conducted procedures to list shares on HOSE.
- ✓ Found investors and conducted a private placement to increase the Bank's Charter capital.
- ✓ Made decisions on changing the ownership stake of foreign investors in line with the actual situation and the direction of the Bank as per the AGM's authorization.
- ✓ Performed the role as an owner towards the Bank's subsidiaries; approved audited financial statements, business results and decision on raising the charter capital of VPBank Finance Company Limited (VPBFC), and decision of the owner on approving changes in the contents of the Charter and registered businesses of VPBFC.

Made approval for 2017 business directions, plans and budget and decisions on big investments and procurement as per authorization.

- ✓ Approved the 2017 financial and business plan, budget plans of units and key projects.

- ✓ Approved reports and documents presented to and for approval by AGM in April, 2017.
- ✓ Approved periodic reports of the Board of Management, directions, policies of the Bank on a monthly, quarterly and semiannually basis and specialized reports of the Bank's key operations in each period.
- ✓ Approved business results in the first and second half of 2017 without changing the business plan set at the year beginning. Requested CEO to focus on TOI growth solutions, review processes and evaluate systems to control, optimize costs and manage provision costs to reach the 2017 profit target.
- ✓ Approved proposals for asset sale/purchase, credit extension, investment and projects/units' budget which exceeded approval limits of the Bank's councils and committees.
- ✓ Reviewed proposals of the Risk Management Division and other business divisions and approved deposit limits of the Bank's subsidiaries.
- ✓ Approved some proposals of the Board of Management regarding the implementation of big projects to modernize the data base system for the Bank.
- ✓ Approved VPBFC's restructuring plan in association with NPL settlement by 2020

Made approval for adjusted directions, policies, organizational structure in alignment with the Bank's business and risk management state.

- ✓ Agreed to adjust/newly issue regulations and policies as per proposals of the Bank's functions or based on results of policy consulting projects, including: Regulation on card issuance and payment; Regulation on staff home loan; Regulation project management; Regulation on method for determining and applying cost of capital; Regulation on business allowance; Regulation on debt sale and purchase between VPBank and VAMC; Policy on granting transaction limits to financial institutions; Regulation on risk appetite framework; Decision on 2018 risk appetite statement; Regulation on issuing internal documents of VPBank; Decision on amending and supplementing Regulation on approving the resolution of problematic debts; Regulation on risk management and credit approval at CommCredit division; Regulation on banking development, change and control and forecast making on SAP system; Decision on amending and supplementing lending regulation of VPBank; Regulation on service and product procurement at VPBank, etc.
- ✓ Newly established/changed personnel structure of some units in the Bank as per consultation of Human Resources Committee: established new Micro SME direct sales channel at SME division; Restructured Retail Banking Division (Assets Partnership Center); established VPDirect Division; restructured CommCredit Division (optimize segmentation for business units); Restructured CIB Division; established Digital Factory under Digital Banking Division; Issued Regulation on organization and structure of Legal and Compliance Division (add Environment and Social Department under Compliance Inspection and Control Center); Restructured VPBank AMC (established Credit Card Loan Handling Department under Retail Loan Handling Center).
- ✓ Approved actual provisions in the year for products, segments, etc. in line with approved provisioning methodology and actual asset quality.
- ✓ Approved the direction on restarting the transformation project/program, review personnel of units to enhance work efficiency.
- ✓ Continued to focus on discipline tightening programs to increase discipline compliance across the system; developed legal framework, KPI/salary/bonus evaluation criteria in association with compliance for branch managers/unit heads.

In addition to guiding the activities of the Board of Management, the BOD also supervised activities of CEO/the Board of Management through management channel/control points, specifically:

- ✓ Attended 12 periodic executive committee meetings of the Board of Management.
- ✓ Supervised the Bank's activities through daily/weekly/monthly/quarterly business performance reports and other arising reports/proposals from the Board of Management.
- ✓ Supervised and approved resolution of issues in reports on activities of units from the Supervisory Board and Internal Audit. Internal Audit issued 70 field audit reports and 10 remote supervision and control reports in 2017; the BOD also supervised the Bank's activities through 12 compliance control reports.
- ✓ The BOD also supervised CEO by attending meetings or reviewing reports/resolutions of councils/committees under the BOD in each specialized operation (assets/liabilities management, credit, risk, HR, etc.).
- ✓ Through Human Resources Committee, the BOD also reviewed annual performance of CEO and key executives of the Bank by evaluating their performance on PMS and conducting 360 degree surveys which is a useful tool to receive different feedback on performance and competence of the management team. The BOD also reviewed and evaluated the Bank's internal structure regularly to ensure clarity in scope of work and responsibilities of each manager and management levels.

### **III. Activities of councils and committees under the Board of Directors and other sub-committees under the Board of Management.**

#### **1. HR Committee**

The Committee held 12 monthly meetings in 2017 to consider and approve HR Division Action Plan and regularly assessed HR indicators of the Bank and of subsidiaries and provided timely instructions. In 2017, the Committee reviewed and approved the hiring, appointing, removal of and adjusting salary for over 1,600 managers. In parallel with execution of staff incentive, remuneration and engagement policies, HR Committee also paid attention to tightening working disciplines, raising the bank-wide compliance. Accordingly, the Committee handled 1,134 violation cases and made 691 disciplinary or corrective decisions, ranging from notification, warning, demoting to dismissal and issued regulation on accountability of violators' line manager. These actions helped to raise awareness of each individual as well as their line manager, therefor enhance the compliance in the Bank.

In order to optimize the organization, the HR Committee advised the BOD on the following issues: re-engineering MarCom organizational structure, establishment of Quality control department under the Risk Management, Investor Relation Department under the Finance Division, a supporting team under the Legal and Compliance Division to handle cases having criminal signs, Card & UPL Centre and the Affluent Banking Centre under the Retail Banking Division, update the organizational structure and operational mechanism for IT and CommCredit Divisions. The Committee also advised the BOD on appointment of 1 additional deputy CEO, making the Board of CEO from 8 to 9 (CEO and 8 deputy CEOs).

The Board frequently provided instructions to increase productivity, stabilizing attrition rate, talent development and meeting the hiring needs from different functions. To constantly enhance the salary and benefits scheme of VPBank to retain its competitiveness in the market, the Committee advised the BOD on an Employee Stock Ownership Plan to be submitted to the upcoming 2018 AGM, approving 2017 variable bonus and assigning 2018 KPIs to CEO and Head of Divisions.

To assure the compliance with applicable legal framework, HR Committee approved new social insurance contribution scheme to align with amended Labour Code, amending staff income scheme to align with new minimum salary regulation applicable since January 1st 2018, and labour contract was also reviewed and amended to align with new regulations.

## **2. Risk Management Committee**

In 2017, RMC held 3 periodical meetings in March, May and October. It reviewed and discussed based on risk reports analyzed by the RMD, and provided instructions to related functions to make necessary adjustment, enhancement the monitoring of areas with critical risks exposure. In particular,

- ✓ RMC agreed to request the Finance to cooperate with RMD and business functions to revisit the single account profitability (SAP) in association with risk cost of some key products under RB, HHB.
- ✓ RMC assessed the critical impacts of operational risks and frauds in the bank and assigned the RMD to i) cooperate with Legal and Compliance Division, HR Division to conduct detail assessments of risks associated with operation and information, developing the risk monitoring regulations, applying disciplinary actions on collaborators; ii) cooperate with business units to assess the risks and benefits of outsourcing debt collection per each buckets; iii) developing and delivering training on fraud prevention for staff working on credit extension; iv) regularly assess risk exposed to large outstanding loans and report to the BOD and Credit Council.
- ✓ RMC supported a policy which requires functional units to thoroughly analyze critical risks of each business segment, associating such risks with required capabilities and resources in order to minimize frauds originated internally and by staff attrition.
- ✓ RMC instructed the RMD to cooperate with other functions to build and execute measures to increase late collection efficiency; finalize the methodology to define and calculate the industries' limit to align with SBV's new regulations as well as to align with prudential limits of major partners of the Bank.
- ✓ RMC agreed that the RMD should be more focus on analyzing the financial fraud trend, classifying frauds by types and processes to trigger the investigation accordingly, and to propose KPIs for each of such types or processes. RMD, based on these basis, shall report to the RMC the actual status, trend and propose solutions, including building detail action plan to enhance management capability on operational risks; building policies and systems to ensure information security and other critical risks exposed to the bank at different stages; prepare a proposed methodology to include KRI into the 2018 KPIs of Division's Heads.
- ✓ RMC agreed to request the RMD to report on the action plan on information security; analyze risks exposed to SME Banking; analyze and compare target vs actual collection performance between VPBank and AMC so that proper risk management plans will be prepared accordingly.
- ✓ RMC agreed on 2018 risk appetite and proposed a risk management framework for the BOD's approval.
- ✓ RMC also developed its new organizational and operation scheme in September 2017 toward improving the Committee's power in reviewing and approving risk limits as well as in developing internal regulations.

## **3. Assets and Liabilities Council (ALCO)**

In 2017, the Bank's balance sheet was restructured for increased efficiency and prudence, both in assets and liabilities. From time to time, ALCO made recommendations to the BOD, requests, and instructions, which were jointly carried out by functional units and business divisions in consideration of market context, macro policies, and the Bank's requirements. Some of the Council's activities in 2017 are:

- ✓ Developed detailed funding and owners' equity plans for 2017 and projection until 2020. Accordingly, VPBank successfully raised VND 6 trillion in owners' equity and issued a large volume of valuable papers to increase medium and long-term funds for the Bank.
- ✓ Proposed to the BOD the amended operating model of ALCO and defined the governance model for the Bank's owners' equity, making it closer to the best international practices and the implementation of the Bank's strategic objectives;
- ✓ Proposed to the BOD to review and approve policies on capital management, regulations on methodology and detail to calculate the cost of owners' equity. Analyzed the risk-weighted profitability of assets by Divisions, product lines, customer segments to establish an optimal capital allocation plan, optimize the balance sheet and improve the Bank's CAR;
- ✓ Generated a weekly forecast of each division's loan balance growth (by segment, lending purpose, collateral, etc.) to strictly control credit activities, restructure high-risk credit which may have impacts on CAR; set priorities for the lending activities of the Bank's core divisions, i.e. Retail Banking, CommCredit and SME, reviewed and selected loans with low risk ratios and high profitability and collected ineffective loans .etc.;
- ✓ Closely tracked the Bank's financial prudential ratios, including short term liquidity ratio and other mid to long term ratios, such as solvency, loan-to-deposit ratio (LDR), short term deposits used to fund middle to long term credit ratio to ensure the balance, prudence and effectiveness for both liabilities and assets. Conducted scenarios analysis on the FX market through the end of 2017 and projection for 2018, and provided detailed proposals with business solutions and other targets for foreign currency status and LDR to determine whether to increase or reduce products related to foreign currency.

#### **4. Operational Risk Committee**

Operational Risk Committee (ORC) manages the Bank's operational risks, ensuring the effectiveness of the dissemination and implementation of policies for operational risk management, and directing the spread of knowledge and the creation of a culture of operational risk management throughout the Bank. The Committee held meetings to discuss operational risks arising during the year and approved issues regarding the orientation of the Bank's operational risk management in 2017 as follows:

- ✓ Required related functions to collect, analysis, discuss and reach consensus on solutions to issues, events related to operational risks; monitored the implementation of those solutions. Required each function to take responsibility in handling the operational risks, minimizing losses, investigating the root causes and solutions to thoroughly resolve them.
- ✓ Required units to continuously develop operational risk management system via monitoring and controlling key risk parameters.
- ✓ Agreed on the significance of training on operational risk in the bank-wide system, raising awareness on operational risk, require the Risk Management, Operations and MarCom to organize a separate communication channel to raise awareness of staff on operation risks.
- ✓ Required Operational Risk Centre and related Divisions to closely cooperate to develop and evaluate the effectiveness of the check-points in the processes and conduct the processes optimization.
- ✓ Required RMD to update business continuity management scenario when necessary, boost the communication on the impacts and conduct an emergency evacuation plan; periodically update systems/software/apps for related units to ensure readiness in backup data. The Committee also approved a plan for building and testing the business continuity plan at the Bank's branches.
- ✓ Approved the strategy and policy on fraud prevention in 2018, the structure of the Fraud Investigation and Prevention Department and the allocation of necessary resources for implementation.

- ✓ Defined the significance of and enhanced the information security with support of external resources.

## **5. Executive Committee**

The Committee performs reviews and proposes the Bank's business strategies to the BOD for approval; produces regular updates of business performance; executes short-term action plans and solves challenges faced by the Bank's units during implementation; makes recommendations for changes to the organization's structure, budget plan, and business plan in line with current context and submits them to the BOD for approval; reviews and discusses important project implementation proposals for the Bank. The Committee holds monthly meetings, with discretionary participation by members of the BOD and the Supervisory Board.

In 2017, the Committee held 11 sessions in 12 months to discuss and decide numerous issues arising during the course of the Bank's operations:

- ✓ Evaluated business performance in 2016 against targets; discussed achievements, areas for improvement, difficulties and challenges;
- ✓ Disseminated the directions and action plan for 2017; proposed initiatives to improve performance by each Division/Centre as well as to promote the innovation during 2017;
- ✓ Worked with the consultant to reviewed the existing five-year strategy and develop the new five-year strategy 2018-2022;
- ✓ Focused on digitizing the Bank projects: boosting the digital services for traditional banking services, digitizing a number of products, journeys e.g. credit cards, unsecured personal loan, VPDirect, loan origination system, and other projects in partnership with external partners;
- ✓ Identified priority business activities by the month and quarter. In particular, assessed actual business growth and gave instructions as required, enhanced analytical capability for more efficient business performance, especially in risk analysis and set risk limits based on international standards;
- ✓ Gave instructions on other key projects, such as Banca, affluent banking, supporting local start-up community via a partnership with UP, sponsoring a start-up contest .etc.;
- ✓ Enhanced the business support systems: upgrading core system T24, finalizing personnel structure for key projects, restructuring the training platform, improving staff benefits, improving customer service quality;.
- ✓ Gave instruction on mid-year budget plan adjustment and 2018 budget planning, reviewed 2017 action plans and those for 2018; disseminated the 2018 business orientation after BOD's approval, requested the Bank's functions to develop their plan of key actions for 2018.

## **6. Credit Council**

The Council reviews and approves credit applications for customers; considers restructuring loans as proposed by functional departments; recommends to the BOD adjustment of credit policies in accordance with actual conditions and handles other tasks relating to credit activities of the Bank. Credit Councils at all levels of VPBank have increased the frequency of their meetings and established daily meetings to promptly settle credit approval under their respective authorities. The Credit Council is constituted of BOD members, CEO, Head of the Credit Division, Head of the Risk Management Division, and discretionary other high-level Bank credit approvers.

In 2017, the high-level Council held 104 meetings; reviewed more than 1,082 applications, of which they discussed and issued 1,024 resolutions for credit application approval; and revised credit-granting conditions for loans beyond the approval limit of regional credit councils or loans with conditions that

are exceptional to VPBank’s regulations. The Northern and Southern Credit Councils held meetings on a daily basis and reviewed 2,291 credit applications, of which more than 2,000 were approved.

In 2017, Credit Council proposed and advised the BOD to approve some amendments to the statute on the organization and operations of the Credit Council and regulation on credit approval as appropriate.

#### IV. Changes in equity capital

**Changes in equity capital (charter capital):** VPBank raised its charter capital in three phases as follows:

**Phase 1:** Charter capital raised from VND9,181,000,000,000 to VND10,765,453,000,000 by Distributing shares dividends from 2015 retained earnings and bonus shares from Charter capital supplementary reserve and Investment and development fund. The payout ratio/total common shares was 18.75%.

Charter capital structure before and after capital raise is as follows:

	COMMON SHARES	PREFERED SHARES	TOTAL
Before capital raise	8,448,804,000,000	732,196,000,000	<b>9,181,000,000,000</b>
After capital raise	10,033,257,000,000	732,196,000,000	<b>10,765,453,000,000</b>

**Phase 2:** Charter capital raised from VND 10,765,453,000,000 to VND 14,059,086,350,000 from 2016 retained earnings and charter capital supplementary reserve at the payout ratio of 32.83%.

Charter capital structure before and after capital raise is as follows:

Time	COMMON SHARES	PREFERED SHARES	TOTAL
Before capital raise	10,033,257,000,000	732,196,000,000	<b>10,765,453,000,000</b>
After capital raise	13,326,890,350,000	732,196,000,000	<b>14,059,086,350,000</b>

Completing charter capital increase: July 10, 2017

**Phase 3:** Charter capital raised from VND 14,059,086,350,000 to VND 15,706,230,150,000; Owner’s equity increased by VND 6,224,936,471,996 via a private placement to investors.

- Total shares issued: 164,714,380 shares, accounting for 100% of scheduled shares for issuance
- Price: VND 39,000/share (Thirty nine thousand VND per share)
- Total income from private placement: VND 6,423,860,820,000 (Six thousand, four hundred and twenty three billion, eight hundred and sixty million, eight hundred and twenty thousand VND)
- Amount booked into charter capital raise: VND 1,647,143,800,000 (One thousand, six hundred and forty seven billion, one hundred and forty three million, eight hundred thousand VND)
- Difference between traded and face value: VND 4,776,717,020,000 (Four thousand seven hundred seventy six billion, seven hundred and seventeen million, twenty thousand VND) (booked into owner’s equity after deducting placement fees).

Charter capital structure after capital raise is as follows:



<b>Time</b>	COMMON SHARES	PREFERED SHARES	TOTAL
Before capital raise	13,326,890,350,000	732,196,000,000	<b>14,059,086,350,000</b>
After capital raise	14,974,034,150,000	732,196,000,000	<b>15,706,230,150,000</b>

**Summary of changes in equity capital:**

	Standalone (million VND)		Consolidated (million VND)	
	<i>December 31, 2017</i>	<i>December 31, 2016</i>	<i>December 31, 2017</i>	<i>December 31, 2016</i>
<b>EQUITY CAPITAL</b>				
Charter capital	15,706,230	9,181,000	15,706,230	9,181,000
Share premium	5,866,105	1,288,863	5,866,105	1,288,863
Reserves	1,646,619	1,761,847	3,558,265	2,950,192
Retained profits	2,693,120	2,822,651	4,565,110	3,757,473
<b>TOTAL EQUITY CAPITAL</b>	<b>25,912,074</b>	<b>15,054,361</b>	<b>29,695,710</b>	<b>17,177,528</b>

**V. 2018 plan**

In the common development umbrella of banking sector, the period of 2018 – 2022 presents VPBank with more challenges after completion key objectives in the previous five-year strategy. It is foreseen that during the next 5 years, the local market shall be driven by the robust revolution of the fourth industrial revolution and the following key drivers: the Vietnamese people are becoming wealthier with higher expectation, more favorable legal environment, the advancement in data, technology and the emergence of fintech as well as ecosystems. In such context, to pursue the aspiration of becoming one of the top 3 MOST VALUABLE BANKS in Vietnam by 2022 and the the most consumer friendly bank through technology, the Board defines the following development strategy to realize them:

1. Deliver a step change in sales and network productivity (2x productivity) to drive value from existing franchise in retail, SME, household and commercial banking
2. Conduct end to end redesign and digitization of the core banking journeys to substantially improve customer experience and lower costs with a lean and efficient process
3. Achieve excellence in risk management and IT to support the growth of the bank, including through investing in new-age risk management tools, automating credit decisions and decreasing the time to market for development via building capabilities in Agile and DevOps
4. Launch new growth engines (e.g. transactions banking, unbanked, mobility and housing ecosystems) and scale up strategic partnerships (e.g. banca) to fuel future growth for VPBank
5. Build next generation capabilities in data and analytics to unlock the power of data to drive non-linear growth and improve decision making
6. Strengthen organizational health to build a performance driven organization that attracts the best banking talent in the country and define a VPBank culture that promotes cross-functional collaboration. Be home to the best banking talent in the country

The above are also supported by the adjusted strategic objectives toward building a leading retail bank, achievable via the following objectives:

- Leading in retail customer base (individual and SMEs);
- Leading in retail loan volume;
- Leading in bank-wide TOI, and
  - High business efficiency with leading ROE in 2018. Becoming top 5 JSCBs in deposit and loan balance, a top 3 retail bank in retail deposit and loan balance and retail customer base.

Key consolidated financial and business targets in 2018:

No.	Item (VND billion, %)	Targets for 2018
1	Total assets	359,477
2	Customer deposits and issued valuable papers	241,675
3	Loan balance	243,320
	<i>Of which: customer loans</i>	229,148
4	NPLs	< 3%
5	Profit before tax	10,800

**Recipients:**

- *Shareholders*
- *Board of Directors,*
- Supervisory Board*

**P.P. VPBANK BOARD OF DIRECTORS**

**CHAIRMAN**

**(Signed)**

**Ngo Chi Dzung**