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89 Lang Ha – Dong Da – Ha Noi

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0100233583

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*Ha Noi, April 26, 2019*

## **MINUTES OF VPBANK'S ANNUAL GENERAL MEETING 2019**

**No: 01/2019/BB-ĐHĐCĐ-VPBank**

VPBank's Annual General Meeting 2019 (AGM) was convened by the Chairman of the Board of Directors (BOD) as follows:

### ***Time and venue:***

- *Time:* April 26, 2 p.m to 5:40 p.m
- *Venue:* Ball room, second floor, Melia hotel, 44 Ly Thuong Kiet, Ha Noi

### ***Participants:***

Shareholders who legally own common shares of VPBank and their proxies (regardless the number of shares owned by the shareholders) registered to attend the AGM (in this meeting minutes, shareholders refers to both shareholders and their proxies).

Guests:

- Mr. Le Quang Huy, Deputy Head of the Office for Banking Supervision, Ha Noi
- Division heads at the Office for banking supervision, Ha Noi

### ***The meeting contents of the AGM 2019 are as follows:***

I. Mr. Nguyen Thanh Binh (Head of the organization committee) carried out procedures to start the meeting as follows:

1. Read the minutes on shareholders' eligibility verification at the time of opening the AGM

At the time of opening: the number of attendees was 124 shareholders attending in person and 111 proxies and total voting shares of attending shareholders were **1,950,378,102 shares**, accounting for **79.3886%** of VPBank's total voting shares.

At the time of voting: the number of attendees was 165 shareholders attending in person and 142 proxies and total voting shares of attending shareholders were **2,032,416,734 shares**, accounting for **82.7279%** of VPBank's total voting shares.

2. Introduced and approved the meeting agenda;
3. Read and approved the working rules, voting & election protocols at the AGM;
4. Introduced the Presidium and the Chairperson of the AGM:
  - The Chairperson was Mr. Ngo Chi Dzung – chairman of the BOD
  - Mr. Bui Hai Quan – vice chairman of the BOD (co-chaired the meeting as appointed by the Chairperson).
  - Mr. Nguyen Duc Vinh - CEO (co-chaired the meeting as appointed by the Chairperson).
5. Introduced the Secretariat of the AGM:
  - Ms. Le Lan Kim – Assistant to the BOD (as appointed by the Chairperson)
6. Nominated and approved members of the ballot counting committee:
  - Ms Nguyen Thi Thanh Huong – Head of Investor Relation Department - Head
  - Ms Do Minh Nguyet – Assistant to the BOD - Member
  - Ms Nguyen Thu Ha – Secretary of the BOD- Member

*The AGM voted on the meeting agenda, rules and members of the ballot counting committee with the approval rate of 100% of total voting shares of all attending shareholders. No shareholders disapproved or abstained.*

## **II. Presentation of reports and issues within the authority of the AGM**

As facilitated by the Chairperson, the AGM listened to the following reports and proposals:

1. Mr Nguyen Duc Vinh – CEO presented the business performance review 2018 and action plan 2019 (2018 figures were audited by E&Y).
2. The BOD’s governance report 2018.
3. Report on the Operation of the Supervisory Board 2018
4. Mr Bui Hai Quan– Deputy Chairman, presented the following contents
  - Plan for distribution of profit 2018;
  - Plan for issuance of shares to staff under ESOP;
  - Plan for raising charter capital 2019;
  - Proposal for task delegation and authorization to the BOD 2019;
  - Proposal for amendment/supplement to the Bank’s operation license.
  - Proposal for revision of the Charter;
  - Proposal for amendments and supplements to the Regulation on the organization and operation of the BOD.
  - Proposal for amendments and supplements to the Regulation on the organization and operation of the Supervisory Board.

5. Mr Ngo Chi Dzung presented the proposal for election of additional Supervisory Board members and list of nominees approved by the SBV.

*Documents pertaining to the aforementioned topics are enclosed with the minutes.*

**III. The Presidium and the AGM listened to the directions and evaluation of representatives of the regulatory agency**, i.e. the Office for Banking Supervision, Ha Noi, including the following key points:

1. VPBank was listed as one of 16 most influential banks in the banking sector by the SBV. Although the bank fell short of the budget submitted to AGM 2018, its business performance was among the best in the sector. VPBank is also implementing properly the plans for bad debt restructuring and settlement in line with the scheme approved by the SBV. Additionally, VPBank was among the first banks to obtain SBV Governor's approval for early implementation of Circular No 41/TT-NHNN from May 1, 2019 onwards. The SBV also highly appreciated VPBank's efforts in the past year.
2. In 2019, VPBank is requested to sustain its effort in banking operation with the following requirements:
  - Develop the business plan 2019 in line with the instructions and directions by the government and the SBV regarding currency and banking operations.
  - Take the initiative in executing the scheme for bad debt restructuring and settlement; revise the scheme if necessary or as recommended by the inspection and auditing agencies.
  - Ensure credit growth in line with sector-wide guidelines and directions.
  - Review debt classification, ensure proper provision and work out effective bad debt collection solutions in line with market mechanisms and collaborate with VAMC to radically recover its debts at VAMC.
  - Strengthen information transparency of the bank.
  - Sharpen governance and management competences, enhance the staff's competence and improve the products and services.
  - Issue adequate guidelines and policies in line with the regulations of the law and the SBV; strengthen its management and operation mechanism in line with Circular 13 and Circular 41, etc.
  - Improve the competence of the staff and review the staff to minimize risks.

**IV. Discussion:** Shareholders gave questions to the Presidium. The summary of the delegates' questions and the Presidium's answers are as follows:

**1. How did the slowdown in credit growth impact VPBank's overall business performance and how did VPBank make up for the shortfall?**

Answer:

The said slowdown was in comparison with VPBank's growth in the consumer finance over the past few years. At the beginning, when consumer finance was nascent, not many companies offered products and services to such segment, despite enormous demands. As a result, FE Credit posted exponential growth. According to analysis from experts, the growth potential for consumer finance in Vietnam remains considerable. However, given current customer base of 10 million with 4 million loans, FE Credit's growth shall not be as high as before, though growth in absolute number remains positive.

Additionally, the perceptions of "consumer finance" have evolved over time. Previously, this market is deemed for low-income customers who could not access banking products and

services, therefore, finance companies emerged to cater for such segment. Nevertheless, the forms of consumer finance and customer segments have diversified. For example, credit card issuance was also regarded as a form of consumer lending. VPBank's number of active credit cards accounts for 10% of total credit cards in Vietnam, while its card spending volumes constitute a fairly high proportion of Vietnam's credit card market (nearly 20% according to a survey).

Therefore, VPBank shall continue growing the consumer finance business and regard FE Credit and Retail Banking Division as key drivers of future growth. Moreover, VPBank shall also boost income from SME and Corporate Banking to avoid overdependence on any single businesses. Currently, VPBank is still investing on the future growth initiatives.

**2. Why has the bank set its profit growth target of only 3 %?**

Answer: VPBank's BOD and BOM assumed credit growth of 14-15% when developing the growth plan 2019. Additionally, VPBank's goal for 2019 is growth with quality and efficiency rather than excessive focus on volume growth. Meanwhile, VPBank developed plans to settle all the debts at VAMC outright. The forecasted absolute profit in 2019 increases by 3% year on year. However, exclusive of extraordinary incomes in 2018, this profit growth target is equivalent to 14%.

**3. The SBV has drafted a regulation on consumer finance applicable to finance companies with stricter provisions on cash lending, which may decelerate the lending activities at finance companies. How will this regulation affect FE Credit and how prepared is FE Credit for such scenario?**

**Is such tightening of cash lending by the SBV in conflict with its direction of curbing black market?**

Answer: Consumer finance has contributed greatly to Vietnam's economic growth by promoting domestic consumption, financial inclusion, foreign investment and job creation while introducing progressive alternative solution to tackle black market. As a result, we strongly believe that regulatory agencies will take into full consideration the impacts of any policies before issuing them. Given our previous experience, we are strongly convinced that regulatory agencies will strive to work out a solution that benefit all stakeholders and ensure the growth and stability of the sector as they have always done. FE Credit is a major and diversified finance company, both in terms of products and distribution, supported by robust technology and risk management platforms and steered by one of the best management teams in the financial services sector. We have preliminarily reviewed the impacts and identified several steps to comply with new regulations and fulfill the targets in our business plan. FE Credit has constantly succeeded in transforming its business and operating models. Therefore, we are confident of achieving such a success again, if requested, to continue our success journey.

**4. Is VPBank loan loss provision sufficient? Because VPBank's coverage ratio seems to be lower than that of other banks.**

Answer: VPBank loan loss provision is made in accordance with regulations of the State Bank of Vietnam and the data are audited by independent auditors every six months to ensure the provision compliance with the regulations. The calculation of loan loss provisions depends on

a number of factors such as loan balance, debt buckets, collateral value, etc. which are not fully disclosed in the financial statements of banks. So it would be very difficult to compare between different banks. Additionally, VPBank has been very aggressive in using provisions to deal with non-performing loans, so when calculating the coverage ratio, if we add the written-off amount to both the nominator and denominators, this ratio will be 77% instead of 46% as usual. And this is also the common way that professional investors often apply when analysing VPBank's indicators.

VPBank's lending model targets higher-risk segments like FE's consumer finance segments to meet actual demands of those with poor financial capacity, supporting the government to deal with black market. At the same time, VPBank also offers unsecured loan products, which total loan balance accounts for about 35% of VPBank's total loan balance. Under such model, the consolidated/FE Credit-only NPL ratio is usually higher than other commercial banks' average. However, VPBank and VPB FC have applied the strictest policies / highest provisioning standards for NPL's (following IFRS) and therefore the bank's total provision of VND 11,000 billion is a large number in comparison with that of other commercial banks.

**5. Selling treasury shares to employees at the price of VND 10,000 is an option in the Employee stock ownership plan (ESOP). In that case, is it that the bank distributes money from its shareholders to the employees?**

Answer: VPBank's treasury shares were bought with surplus capital (as the bank issued preference dividend shares at about VND 27,584 per share in 2015, the total proceeds from which was about VND 1,287 billion, in addition to the amount of more than VND 730 billion recorded as charter capital). The remaining amount is from the bank's profits in 2015, 2016, and 2017, which were generated on the proceeds, and was used to buy back the preference dividend shares to convert them into treasury shares. This was finished in July 2018 as committed to investors. Therefore, selling treasury shares to employees (in case this plan is executed) will not affect the use of profit of 2018, whereas, the bank's equity can be increased accordingly.

From management standpoint, ESOP comes with strings attached and helps reward and retain those who play important roles and make significant contribution to the organization, in which the shareholders share part of their benefits with those who made significant contribution and help them to continue making profit for the bank / shareholders in the future.

According to the agenda, the Board of Directors introduces two options under this year's ESOP as follows.

Option 1: sell treasury stock to employees at the price of VND 10,000 per share;

Option 2: issue new shares at the price of VND 10,000 per share

Neither of the two plans uses the retained earnings of 2018, and the increase in bank's equity will be equal to the proceeds, however, the procedures for the first option will be faster than the second one.

**6. Does VPBank seek foreign strategic investors for private placement plan this year?**

In order to increase capital from private placement helping increase room for foreign investors, we are still seeking strategic investors for banks and conducting private placement and providing such opportunities for a group of domestic and foreign investors. The timing and issuance plan has not been finalized and the Board of Directors will find a consulting partner to implement the plan at an appropriate time.

**7. Why has the bank decided not to pay stock dividends / bonus shares to increase charter capital this year?**

The objective of not paying dividends in cash to shareholders and retaining funds and undistributed profits is to increase the bank's funding and financial standing for business activities as the banking and finance sector is capital intensive and increasingly so.

Not paying stock dividends is new to VPBank but not to the market. Paying stock dividends and retaining undistributed profits do not directly affect shareholders' interests due to the regulations on dilution when issuing more stock dividends/bonuses.

Additionally, the Board of Directors shall consider allocating undistributed profit and the accounted funds and make such proposal(s) to the Annual General Meeting for approval at an appropriate time and in the best interests of shareholders and the Bank.

## V. Voting

1. Pursuant to the minutes of the counting of votes on the items submitted the Annual General Meeting, the number of valid ballots collected are as follow:

	Number of ballots	Number of shares presented	The proportion compared to the votes presenting at the meeting
Total number of issued ballots	169	2,053,920,930	100%
Total number of ballot collected	128	2,049,178,135	99.7691%

2. Minute for election of 02 additional members of Supervisory Board:

	Number of ballots	Number of shares presented	The proportion compared to the votes presenting at the meeting
Total number of issued ballots	169	2,053,920,930	100%
Total number of valid ballot collected	116	2,049,114,421	99.6199%

The shareholders voted on the proposed items and carried out election. Most of the shares presented at the meeting voted in favour of the items. The Annual General Meeting 2019 passed the following resolutions (The proportions passed are listed at each content).

## VI. PASSED RESOLUTIONS

1. **Passing of VPBank's standalone and consolidated financial statements for fiscal year ended December 31, 2018 audited by Ernst and Young Vietnam Ltd.**

For	99.7685% on the total number of voting shares at AGM
Against	0.0000% on the total number of voting shares at AGM
Abstain	0.0003% on the total number of voting shares at AGM

2. **Passing of the Business Performance Report 2018 and Action plan 2019 with the following indicators (Annex 01)**

### Business performance 2018

No.	Indicators	Actual 2018 (VND billion)	Budget 2019 (VND billion)	Actual vs Budget 2018 (%)	Actual 2018 vs 2017 (%)
1	Total asset	323,291	359,477	90%	16.4%
2	Customer deposits and valuable papers issued	219,509	241,675	91%	9.9%
3	Loan balance	230,790	243,320	95%	17.3%
	In particular: customer loans	221,962	229,148	97%	21.5%
4	NPL ratio (bank single)	2.4%	<3%		
5	Profit before tax	9,198	10,800	85%	13.1%

### Business targets 2019

No.	Indicators (VND billion, %)	Budget 2019	Growth rate (%)
1	Total asset	373,649	16%
2	Customer deposits and valuable papers issued	252,435	15%
3	Loan balance	265,408	15%
4	NPL ratio (bank single)	< 3%	
5	Profit before tax	9,500	Grow by 3% y-o-y (14% if excludes the irregular income from insurance fee in 2018)

<i>For</i>	<i>99.7684% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0004% on the total number of voting shares at AGM</i>

### 3. Passing of the Board of Directors' full report (Annex 02)

<i>For</i>	<i>99.7685% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0003% on the total number of voting shares at AGM</i>

### 4. Passing of the Supervisory Board's full report (Annex 03)

<i>For</i>	<i>99.7684% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0004% on the total number of voting shares at AGM</i>

### 5. Passing of profit distribution plan 2018 (Annex 04):

Based on the audited standalone and consolidated financial statements 2018, the profit distribution plan 2018 has been approved as follows:

<b>No.</b>	<b>Indicators</b>	<b>Amount (VND million)</b>
<b>1</b>	<b>VPBank's consolidated profit after tax (*)</b>	<b>7,355,568</b>
<b>2</b>	<b>Total funds appropriation (*)</b>	<b>3,924,391</b>
2.1	Reserve to supplement charter capital (mandatory) (*)	367,779
	<i>Including</i>	
2.1.1	<i>VPBank's reserve to supplement charter capital</i>	202,997
2.1.2	<i>VPB FC's (FE Credit) reserve to supplement charter capital</i>	164,717
2.1.3	<i>VPB AMC's reserve to supplement charter capital</i>	65
2.2	Financial reserve (mandatory) (*)	735,428
	<i>Including</i>	
2.2.1	<i>VPBank's financial reserve</i>	405,994
2.2.2	<i>VPB FC's (FE Credit) financial reserve</i>	329,434
2.3	Investment and development funds of VPB and VPB FC	2,821,184
3=1-2	<b>Undistributed profits in 2018 after fund appropriation</b>	<b>3,431,177</b>

(\*) Note: figures from audited consolidated financial statements

*After the appropriation, VPB FC's investment and development fund shall be transferred back to VPBank's.*

The AGM agreed and authorized the BOD to decide on the profit and fund distribution plan 2018 of VPBank and its subsidiaries as per legal regulations and SBV's stipulations.

The AGM passed the plan for retaining the undistributed profit and not allocating it to the investment and developments fund, reserve to supplement charter capital, etc. to use it for business activities.

<i>For</i>	<i>99.7650% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0033% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0005% on the total number of voting shares at AGM</i>

## **6. The issuance plan of shares to VPBank staff under Employee Stock Option Program in 2019 (Annex 05)**

Pursuant to the ESOP 2018, in order to retain talented employees and recognize managers/staff of all levels that have made significant contributions to the Bank, the AGM has passed the plan for issuing shares at preferential prices to employees in 2019 as follows:

**Tentative total number of shares to be sold:** 31,000,000

**Purpose:** to retain talented employees who have made significant contributions to the development and generated profit for the bank.

**Issuance price:** VND 10,000 per share

**Transfer restriction:** Employees who can buy treasury shares at preferential prices are subject to three-year transfer restriction and shall be gradually unlocked as follows: 30% of the shares shall be unlocked after one year; 35% of the shares shall be unlocked after two years; 35% of the shares shall be unlocked after three years from the finalization date of the issuance batch. Other rights associated to such shares (if any) are not subject to transfer restriction. The staff members terminating labour contracts with the bank before the transfer restriction time must sell all restricted shares to VPBank at the preferential price.

**Tentative timing:** Quarter 2/2019 or subject to the implementation of legal procedures.

**Implementation method:** authorize the BOD to implement either of the following two options:

1. Sell current treasury shares of VPBank to employees on the above conditions, which will be implemented in accordance with the provisions of law and submitted to competent authorities for approval.
2. Issue new shares at preferential prices to employees on the above conditions. Under this option, the bank's charter capital shall increase to VND 310 billion (based on the tentative issuance).

To enable the BOD to implement this resolution in accordance with legal provisions, the AGM has approved the following two separate plans. The BOD of VPBank shall implement either of the plans in line with the ESOP issuance plan in 2019 as mentioned above.

### **I. The selling of treasury shares:**

- ✓ Total existing treasury shares: 73,219,600

- ✓ Most recent buyback of shares as treasury stock: July 9, 2018
- ✓ Funding for the buyback (exclusive of transfer fee):
  - Capital surplus: VND 1,287,493,637,440
  - Investment and development fund: VND 1,201,738,736,848
- ✓ Total number of treasury shares registered for sales: 31,000,000
- ✓ Pricing: preferential pricing for VPBank staff under ESOP, tentatively VND 10,000 per share.
- ✓ Transfer restriction: Employees who can buy treasury shares at preferential prices are subject to three-year transfer restriction and shall be gradually unlocked as follows: 30% of the shares shall be unlocked after one year; 35% of the shares shall be unlocked after two years; 35% of the shares shall be unlocked after three years from the finalization date of the issuance batch. Other rights associated to such shares (if any) are not subject to transfer restriction. The staff members terminating labour contracts with the bank before the transfer restriction time must sell all restricted shares to VPBank at the preferential price.
- ✓ Transaction method: share purchase agreement between VPBank and staff in the eligible list.
- ✓ Ownership transfer: OTC, via VSD's ownership transfer system in line with the decision by the State Securities Commission of Vietnam.
- ✓ Timing: after getting the approval from SSC.
- ✓ Consent and authorization for the BOD:
  - The AGM hereby passes the conversion of preferential shares into common shares and the bank's reacquisition as treasury shares as is the case now (this is the amending contents during the implementation of relevant procedures – if necessary)
  - Delegations and authorizations for the BOD to decide on/complete the items related to ESOP, including but not limited to the following: plan for selling treasury shares, actual number of treasury shares sold in line with staff demand, not exceeding the tentative number of 31,000,000, timing, appointment of the securities company as the agent for the transaction (if necessary); duly conduct the procedures for selling shares, transferring ownership, making securities deposits and additional listing, etc. and decide on relevant issues in line with requirements by the regulatory agencies.
  - Authorization for the BOD to approve the criteria, timing and list of eligible staff; decide on policies/requirements related to ESOP shares; make decisions on policies, regulations, and conditions related to re-purchasing the shares of the leaving staff, including the authorization for the HO Labour Union of VPBank to represent, the conditions on distribution to other staff, the funding for share buyback by the Labour Union, purchase agreement between the bank and the staff and other relevant issues.
  - Authorization for the BOD to delegate authority to the Chairman or the CEO to execute the rights/tasks above.

## **II. Plan of share issuance to VPBank staff under Employee Stock Option Program (ESOP)**

- ✓ Share name: Vietnam Prosperity Joint Stock Commercial Bank
- ✓ Type of shares: common

- ✓ Face value: VND 10,000
- ✓ Total shares issued: 2,529,967,966
- ✓ Outstanding shares: 2,456,748,366
- ✓ Quantity of treasury shares: 73,219,600
- ✓ Quantity of shares planned to issue: 31,000,000
- ✓ Issued price: VND 10,000/ share
- ✓ Total issue value by face value: VND 310,000,000,000
- ✓ Ratio of newly issued shares to outstanding shares: 1.262%
- ✓ Transfer restriction: Employees who can buy treasury shares at preferential prices are subject to three-year transfer restriction and shall be gradually unlocked as follows: 30% of the shares shall be unlocked after one year; 35% of the shares shall be unlocked after two years; 35% of the shares shall be unlocked after three years from the finalization date of the issuance batch.
- ✓ Timing: tentatively 2019, after getting approval from the SSC and the State Bank of Vietnam.
- ✓ Eligible buyers: staff of Vietnam Prosperity Joint Stock Commercial Bank as per the criteria and list approved by the BOD.
- ✓ Plan for remaining shares after the issue: the remaining shares shall be subject to the BOD's decision, either to sell to other members of the staff at the price of at least VND 10,000/share or to cancel. Only record the actual number of shares sold.
- ✓ The estimated charter capital after the issuance: VND 25,609,679,660,000
- ✓ **Number of shares eligible for foreign buyers:** subject to the list of foreign staff members approved by the BOD.
- ✓ The most recent share issuance under ESOP: September, 2018.
- ✓ **The plan for using proceeds from the issuance:** The total proceeds from the share issuance to staff, tentatively VND 310,000,000,000, will supplement the bank's capital for lending activities.
- ✓ **Consent and authorization for the BOD:**
  - Delegations and authorizations for the BOD to decide on/complete the items related to ESOP, including but not limited to the following: plan for selling shares, actual number of shares sold in line with staff demand, not exceeding the tentative number of 31,000,000, timing, appointment of the securities company as the agent for the transaction (if necessary); duly conduct the procedures for selling shares, transferring ownership, making securities deposits and additional listing, etc. and decide on relevant issues in line with requirements by the regulatory agencies.
  - Authorization for the BOD to approve the criteria, timing and list of eligible staff; decide on policies/requirements related to ESOP shares; make decisions on policies, regulations,

and conditions related to re-purchasing the shares of the leaving staff, including the authorization for the HO Labour Union of VPBank to represent, the conditions on distribution to other staff, the funding for share buyback by the Labour Union, purchase agreement between the bank and the staff and other relevant issues.

- Authorization for the BOD to delegate authority to the Chairman or the CEO to execute the rights/tasks above.

<i>For</i>	<i>95.0078% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>4.3390% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.4220% on the total number of voting shares at AGM</i>

#### **7. Agreement on amendment to transfer restriction on shares issued under ESOP in 2018**

- Transfer restriction for issuance plan 2018: 100% of the ESOP shares are subject to three-year transfer restriction from the finalization date of the issuance.
- Amended restriction: Employees who can buy treasury shares at preferential prices are subject to three-year transfer restriction and shall be gradually unlocked as follows: 30% of the shares shall be unlocked after one year; 35% of the shares shall be unlocked after two years; 35% of the shares shall be unlocked after three years from the finalization date of the issuance batch. Other conditions remain unchanged.

The BOD is responsible for finalizing the documents and procedures with competent agencies on the issuance, transaction date registration, etc. for the shares of staff when the transfer restriction time is over as per the above amendment at corresponding periods of time.

<i>For</i>	<i>94.8355% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>4.4932% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.4401% on the total number of voting shares at AGM</i>

#### **8. Passing of remuneration and operating budget 2019 of VPBank's Board of Directors and Supervisory Board as follows:**

- 0.5% x consolidated profit before tax.

This formula for calculating operating budget shall be adopted from 2019 onward, except otherwise supplemented or amended by other AGM's resolutions.

<i>For</i>	<i>99.7678% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0010% on the total number of voting shares at AGM</i>

## 9. Passing of the plan for raising charter capital 2019 (Annex 06).

### I. Plan for raising charter capital by issuance of shares to VPBank staff

- ✓ Share name: Vietnam Prosperity Joint Stock Commercial Bank
- ✓ Type of shares: common
- ✓ Face value: VND 10,000
- ✓ Purpose: pursuant to ESOP, to retain talented employees who have made significant contributions to the development and generated profit for the bank.
- ✓ Quantity of shares planned to issue: 31,000,000
- ✓ Issued price: VND 10,000/share
- ✓ Total issue value by face value/Charter capital surplus: VND 310,000,000.000
- ✓ Transfer restriction: Employees who can buy treasury shares at preferential prices are subject to three-year transfer restriction and shall be gradually unlocked as follows: 30% of the shares shall be unlocked after one year; 35% of the shares shall be unlocked after two years; 35% of the shares shall be unlocked after three years from the finalization date of the issuance batch.
- ✓ Timing: tentatively 2019, after getting approval from the SSC and the State Bank of Vietnam.
- ✓ Eligible buyers: staff of Vietnam Prosperity Joint Stock Commercial Bank as per the criteria and list approved by the BOD.
- ✓ Plan for remaining shares after the issue: the remaining shares shall be subject to the BOD's decision, either to sell to other members of the staff at the price of at least VND 10,000/share or to cancel. Only record the actual number of shares sold.
- ✓ **The plan for using proceeds from the issuance:** The total proceeds from the share issuance to staff, tentatively VND 310,000,000,000, will supplement the bank's capital for lending activities.

### II. Plan for private placement

- **Purpose:** supplement the owner's equity, serving the operation and needs of growth of the bank.
- **Type of shares:** common
- **Face value:** VND 10,000/share
- **Maximum offer:** Around 260 million shares. The specific number of shares issued shall be calculated at the time of issuance to lift the ratio of foreign ownership/charter capital to the maximum of 30%.
- **Implementation method:** Private placements to local and/or foreign investors.
- **Eligible buyers:** less than 100 local and/or foreign investors who meet the requirements to purchase shares issued by a Vietnam credit institution as per applicable laws.

- **Price:** to be determined by book building or other suitable methods, striving for the ultimate goal of bringing efficiency for the bank.
- **Number of placement in the year:** 01.
- **Execution:** within the period of 2019-2020. Specific timing shall be subject to the market's conditions and procedures stipulated by laws.
- **Restriction time:** at least 1 year as stipulated by laws.
- **The proceeding from such placement** shall be invested in fixed assets and supplementing middle-and-long-term capital of VPBank.
- The BOD is assigned to decide on the implementation after completing the procedures with competent agencies as per applicable laws.
- The placement method is not applicable to BOD, Supervisory Board and CEO of VPBank.
- Note: Investors purchasing shares of VPBank in such private placement are responsible to their source of funding. VPBank's BOD takes no responsibility in examining the investors' source of funding.

Assuming VPBank's success in issuing 31,000,000 ESOP shares and 260,000,000 shares from the private placement, the increase of charter capital in 2019 is estimated as follows:

<b>Item</b>	<b>Before</b>	<b>After</b>
<b>Total</b>	2,529,967,966	2,820,967,966
Charter capital	25,299,679,660,000	28,209,679,660,000

**The plan to use capital surplus:**

Apart from enhancing financial capability and ensuring prudential ratios, VPBank plans to use the capital surplus to raise mid- and long-term capital to serve credit growth. The tentative business plan in correspondence with the plan for raising capital as per the annex attached has been passed.

**Additional depository registration and listing of additional shares issued:**

After raising charter capital by taking the above actions, VPBank shall conduct additional depository registration for all the additional shares issued with Vietnam Securities Depository and supplemental listing of all the new shares at Ho Chi Minh Stock Exchange.

**Amendment to the share ownership of the BOD, Supervisory Board, and CEO:** in accordance with the annex attached to the plan for raising capital.

**Agreement on contents related to capital raise and authorized tasks to the BOD for all batches:** To facilitate the aforementioned processes of raising charter capital, the AGM delegates and authorizes the BOD to perform the following tasks:

- ✓ Authorization for the BOD to approve the criteria, timing and list of eligible staff; decide on policies/requirements related to ESOP shares; make decisions on policies, regulations, and

conditions related to re-purchasing the shares of the leaving staff, including the authorization for the HO Labour Union of VPBank to represent, the conditions on distribution to other staff, the funding for share buyback by the Labour Union, purchase agreement between the bank and the staff and other relevant issues.

- ✓ Decide on the specific order and time to implement such batches of raising capital, depending on market conditions, possibility, negotiations with other relevant parties, and procedures with management agencies.
- ✓ Decide on the ratio of foreign ownership/charter capital of the bank (if necessary) that is suitable to and beneficial for the actual situation of each period of issuance/distribution and implement supplementation/registration procedures with competent agencies.
- ✓ Decide on the offer price, negotiation plans, plans on conducting buying/selling transactions, criteria for selecting investors, the selection of particular investors to offer for sale, and the remaining shares after the placement.
- ✓ Decide on the raised/issued amount of charter capital/shares in comparison with the estimated figures in the aforementioned charter capital raising plan as a result of performing the following tasks: (i) sales of treasury shares/issuance of shares with preferential price under ESOP, (ii) results of private placements to investors.
- ✓ Decide on continuing to carry out capital raise plans in 2020 or adopting appropriate measures on the basis of actual situations and for the interest of shareholders in case VPBank fails to raise its charter capital in 2019.
- ✓ Decide on continuing to carry out capital raise plans in 2020 or adopting appropriate measures on the basis of actual situations and for the interest of shareholders in case VPBank fails to raise its charter capital in 2019.
- ✓ Decide on the amendment, supplement, and finalization of all issues and contents of the plan for issuance/raising charter capital and complete other requested documents in implementing relevant procedures for charter capital raising/issuance.
- ✓ Implement the procedures required for raising charter capital as stipulated by the law (including procedures for license and charter amendment, business registration, depository registrations, supplemental listing of all share issued and other relevant ones)
- ✓ Authorize the Chairman or CEO to implement the aforementioned rights/tasks.

<i>For</i>	<i>95.9217% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>3.8303% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0167% on the total number of voting shares at AGM</i>

**10. Agreeing on several guidelines and task delegation and allocation to the Board of Directors as follows (Annex 07):**

- 10.1 Agree on the plan to establish or acquire subsidiaries and affiliated companies in order to conduct the permitted business lines according to the provisions of law and relevant guidelines, including but not limited to the following business: finance leasing; insurance, etc. or opportunities to associate, merge or contribute capital or other forms of businesses

with other credit institutions in compliance with the provisions of law and according to the practical conditions of the Bank. Authorize the Board of Directors to decide on the specific cases.

- 10.2 Agree on the plan to buy, sell, split up, spin off, merge, integrate, convert legal forms of business, dissolve or initiate bankruptcy procedures of the Bank's subsidiaries if necessary and beneficial to the Bank and its subsidiaries. To authorize and delegate the BOD to perform all tasks related to this plan in compliance with the provisions of law and the Bank's direction, for the best interest of the Bank and its subsidiaries.
- 10.3 Agree on the plan for deposit transactions between the bank and VPBank Finance Company to meet the business corporation demand and in line with the stipulated law. To authorize the BOD to decide on the deposit transactions and contracts valued at more than 20% of the bank's charter capital at the bank's subsidiaries.
- 10.4 Authorize and delegate the BOD to decide on issues under the power of the owners of the Bank's subsidiaries.
- 10.5 Authorize and delegate the BOD to decide on organizational structure and managerial and executive apparatus of the Bank, the bank's brand and image usage and management, etc.
- 10.6 Authorize and assign the Board of Directors to decide on solutions to tackle major financial volatilities of the Bank,
- 10.7 Agree on the raise of ownership stake of foreign investors up to the maximum level of 30% of the Bank's charter capital after the private placement to domestic and foreign investors in 2019 (It is agreed that there shall be no adjustment in the foreign stake compared to the bank's charter capital for other placements). To authorize the BOD to decide on specific ratios suitable to the actual situations and most beneficial to the Bank; and to carry out the adjustment/registration procedures with competent agencies (if any).

<i>For</i>	<i>95.4890% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>4.2774% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0009% on the total number of voting shares at AGM</i>

#### **11. Passing of amendments and supplements to VPBank's operating license (Annex 08)**

- (i) Continue trying to obtain license for the business activities already proposed to the SBV and as per Item 2 (I) above.
- (ii) Obtain license for new/additional business activities as per Item 2 (II) in VPBank's operating license.

<b>No.</b>	<b>ACTIVITIES</b>
<b>I. Business activities proposed for license grant from the SBV</b>	

1	Provide commodities derivatives products
2	Structured deposit
3	Entrustment in payment services
<b>II. Business activities proposed to supplement to VPBank's Operating License</b>	
1	Trade, provide derivatives products concerning FX, interest, currency and other financial asset in domestic and foreign markets
2	Provide consultancy on bond issuance dossiers
3	Organize bidding, guarantee, and act as bond issuing agent

**(iii) Assign the following tasks to the Board of Directors:**

- ✓ Decide on related issues when making amendments and supplements to the Licence under Item 2 above including supplementation, clarification, and revision in compliance with legal regulations, the SBV's requirements, and actual situation.
- ✓ Decide on and register with/submit to the SBV and governmental authorities the amendments and/or supplements to Licence under Item 2 above.
- ✓ Decide on and submit to competent agencies the supplements and amendments to Licence on Establishment and Operations of VPBank and information about shareholders, charter capital and other related information upon changes to VPBank's Certificate of Business Registration,
- ✓ Decide on the registration of amended and supplemented business activities in Licence on Establishment and Operations of VPBank under item 2 stated above when amendments and supplements must be made in accordance with legal regulations, requirements of competent state agencies and/or according to actual situations.

<i>For</i>	<i>99.7685% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0003% on the total number of voting shares at AGM</i>

**12. Passing of revised Charter of VPBank and task delegations to the Board of Directors (Annex 09) as follows:**

- ✓ Passing of the amendments and supplements to VPBank's Charter included in attached document. (Annex 09)
- ✓ Delegation for the BOD to decide on issues related to the amendments and supplements to VPBank's Charter in line with paragraph 1 above, including the addition, clarification and revision of the contents and rearrangement of the articles, clauses and points in accordance with legal regulations and actual situation.
- ✓ Delegation for the BOD to decide on issues related to the application/ submission for

amendments and supplements to VPBank’s charter regarding the 2 above paragraphs to the SBV and relevant authorities.

<i>For</i>	<i>99.7685% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0003% on the total number of voting shares at AGM</i>

### **13. Passing of draft Regulations on the Operation of the Board of Directors (Annex 10)**

- ✓ Passing of the amendments to the Regulation on the Organization and Operation of the Board of Directors included in the attached Annex 09.
- ✓ Delegation for the BOD to decide on issues related to the amendments and supplements to the Regulation on the Organization and Operation of the Board of Directors in line with paragraph 1 above, including the addition, clarification and revision of the contents and rearrangement of the Articles, clauses and points in accordance with legal regulations and actual situation.
- ✓ Delegation for the BOD to review and decide on the amendments and supplements to Regulation on the Organization and Operations of the Board of Directors if necessary to align with actual situation and ensure management and governance efficiency during the interval between two AGMs.

<i>For</i>	<i>99.7684% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0004% on the total number of voting shares at AGM</i>

### **14. Passing of draft Regulation on the Operation of the Supervisory Board (Annex 11)**

- ✓ Passing of the amendments to the Regulation on the Organization and Operation of the Supervisory Board included in the attached Annex 11.
- ✓ Delegation for the BOD to decide on issues related to the amendments and supplements to the Regulation on the Organization and Operation of the Supervisory Board, including the addition, clarification and revision of the contents and rearrangement of the Articles, clauses and points in accordance with legal regulations and actual situation.
- ✓ Delegation for the Supervisory Board to review and decide on the amendments and supplements to the Regulation on the Organization and Operation of the Supervisory Board if necessary to align with actual situation during the interval between two AGMs.

<i>For</i>	<i>99.7684% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.0000% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.0004% on the total number of voting shares at AGM</i>

**15. Agreeing on the election of 02 additional members of the Supervisory Board, raising the total members of the Supervisory Board in the term of 2015-2020 to 05 (Annex 12).\**

<i>For</i>	<i>99.1278% on the total number of voting shares at AGM</i>
<i>Against</i>	<i>0.4102% on the total number of voting shares at AGM</i>
<i>Abstain</i>	<i>0.2299% on the total number of voting shares at AGM</i>

**16. Election of 02 additional members of the Supervisory Board in the term of 2015-2020:**

- Ms. Kim Ly Huyen

<i>For</i>	<i>99.1201% on the total number of voting shares at AGM</i>
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- Mr. Vu Hong Cao

<i>For</i>	<i>99.1193% on the total number of voting shares at AGM</i>
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The meeting adjourned at 5:40 pm, April 26 2019. The secretary read the meeting minutes and the Board of Directors approved the minutes with the approval rate of 100%.

CHAIR

(signed)

(signed)

(signed)

**Ngo Chi Dung**

**Bui Hai Quan**

**Nguyen Duc Vinh**

SECRETARY

(signed)

**Le Lan Kim**

