

ABBANK



ANNUAL REPORT
2019

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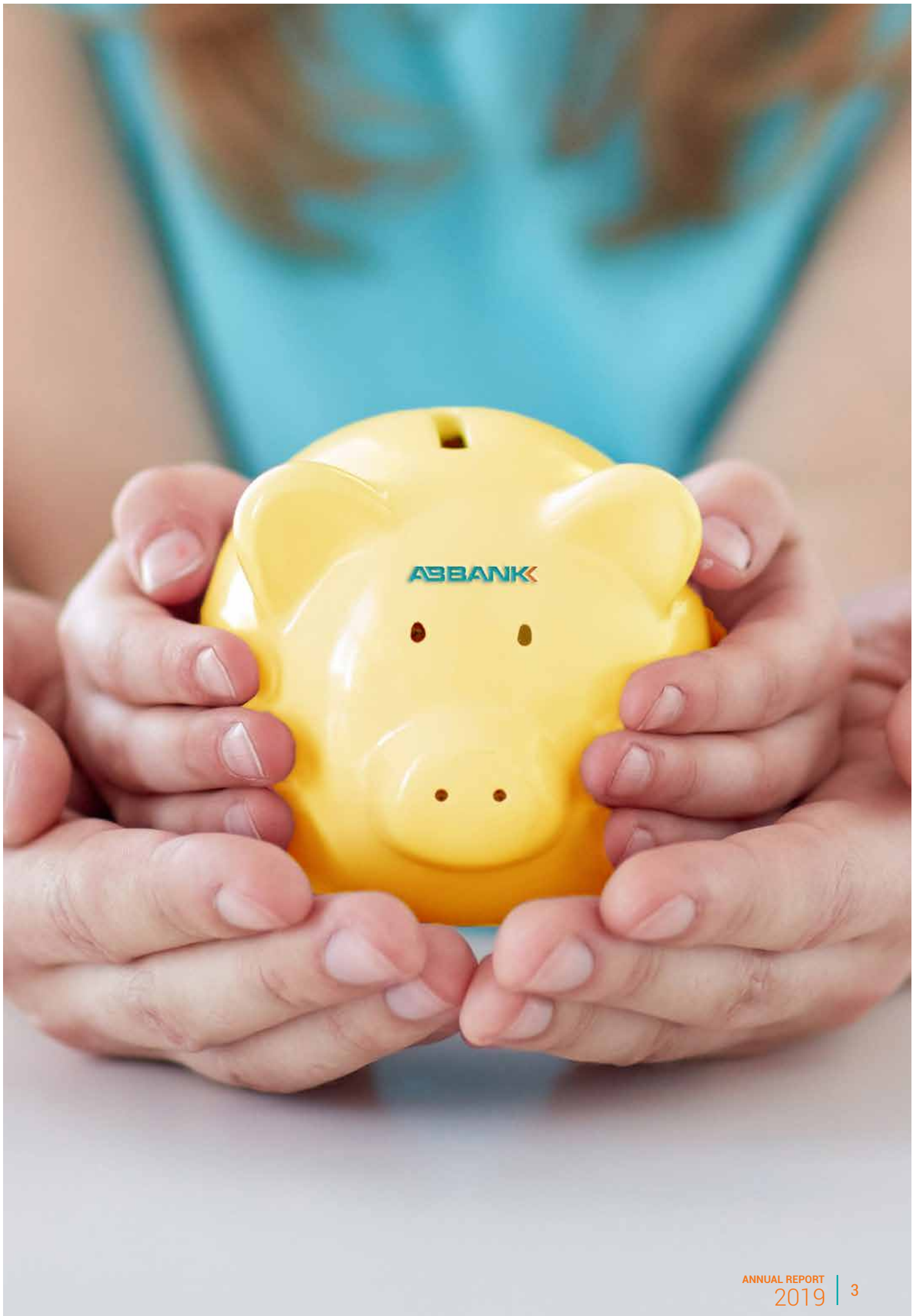
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VISION, MISSION CORE VALUES



VISION

To become one of the leading joint stock commercial banks in Vietnam, focusing on retail banking.



MISSION

To provide financial solutions which are friendly, effective and satisfactory to customers demand.



CORE VALUES

- > Result Orientation
- > Accountability
- > Value - Added Creativity
- > High touch
- > Servant mindset customer service

GENERAL INFORMATION

GENERAL INFORMATION

AN BINH COMMERCIAL JOINT STOCK BANK (ABBANK)

CHARTER CAPITAL:
5,713,113,550,000 VND

ADDRESS: Floors 1, 2, 3 Geleximco Building
No. 36 Hoang Cau Street | O Cho Dua Ward |
Dong Da District | Hanoi

TELEPHONE: (84-24) 37 612 888

WEBSITE: www.abbank.vn

ENTERPRISE REGISTRATION CERTIFICATE NO. 0301412222





INCORPORATION AND DEVELOPMENT PROCESS

- › Established as a rural bank, ABBANK made great strides to be upgraded into an urban bank.
- › From the charter capital of **VND 5 billion** in 2002, ABBANK raised this number to VND 70.04 billion in 2004.

ABBANK raised the charter capital to **VND 1,131 billion**.

An Binh Commercial Joint Stock Bank (ABBANK) was established under the License No. 535/GP-UB issued by the Peoples Committee of Ho Chi Minh City dated May 13th, 1993.

1993

2004

- › Greeting the participation of strategic domestic shareholders: **Vietnam Electricity (EVN), Hanoi General Export Import Corporation (now Geleximco Group - Joint Stock Company)**.
- › The charter capital of ABBANK reached the value of **VND 165 billion**.

2005

2006

> The core banking software was successfully deployed and functioned throughout the bank system.

> **Malayan Banking Berhad (Maybank)** officially became a strategic foreign shareholder of ABBANK with a shareholding of 15%.

> ABBANK raised the charter capital to **VND 2,705 billion**.

> ABBANK successfully issued convertible bonds with a total value of VND 600 billion for the **International Finance Corporation (IFC)** and Maybank. Maybank still maintained 20% stake at ABBANK.

> ABBANK raised the charter capital to **VND 3,831 billion**.

> Launched and organized **Tet An Binh** program for the first year.

> ABBANK raised the charter capital to **VND 2,300 billion**.

> The total assets exceeded the value of **USD 1 billion (more than VND 16,000 billion regarding the exchange rate of 2007)**.

2008

2010

> ABBANK raised the charter capital from VND 2,850 billion in July, 2009 to **VND 3,482 billion** at the end of 2009.

> **Maybank** raised its stake in ABBANK from 15% to **20%** at the end of 2009

ABBANK raised the charter capital to **VND 4,200 billion**.

2007

2009

2011

- › On April 26th, 2013, ABBANK raised the charter capital to nearly **VND 4,800 billion**. IFC officially became a major shareholder of ABBANK with **10% stake**. Maybank maintained 20% stake as the strategic shareholder of ABBANK.
- › On May 28th, 2013, ABBANK **20th anniversary of establishment** (13/05/1993 13/05/2013) was ceremonially organized in Hanoi.

- › On the 15th October 2015, ABBANK was the first time ranked amongst the highest credited group in the joint stock bank in Vietnam, based on 3 key indexes: Baseline Credit Assessment (B3), Local and Foreign Currency Deposit rating (B2), Local and Foreign Currency Issuer rating (B2). The outlook was stable.
- › ABBANK was the first bank in Vietnam to provide electricity bills payment service in the ATM/ POS system of ABBANK for VISA cardholders.

2013

2015

ABBANK network comprised of more than **140 business points** in 29 provinces/cities nationwide.

- › ABBANK published its **strategic Vision, Mission, Goals and Initiatives** for the period of 2014 - 2018.
- › In December 2014, ABBANK was honored to be one of the first four banks in Vietnam to deploy the Cross Border Fund Transfer (CBFT).

- › ABBANK increased its charter capital up to **VND 5,319 billion**.
- › In May, 2016, ABBANK honorably won the Fastest Growing Retail Bank Vietnam 2016 voted by Global Banking & Finance Review.
- › ABBANKs credit rating had been upgraded by Moodys. ABBANK continued to be amongst the most highly rated joint stock commercial banks.
- › The network is expanded from 146 to **159 business points** in 33 provinces and cities.

2012

2014

2016

- > The Bank received the Fastest Growing Retail Bank Vietnam 2017 rated by Global Banking and Finance Review for the 2nd consecutive year. Concurrently be upgraded the credit rating by Moodys to be amongst the Top 5 private joint stock commercial banks in Vietnam.
- > Reach the network of **165 business points** in 35 provinces/cities nationwide.
- > For the first time, ABBANK received the **Best SME Product Vietnam 2017** awarded by International Finance Magazine (IFM).

2017

- > ABBANK organized the 25th Anniversary of Establishment (May 13th, 1993 - May 13th, 2018).
- > Successfully implemented the project **"ABBANKs Organizational and Operational Effectiveness Improvement"**.
- > Continued to be rated positive and upgraded by Moodys Credit Rating Agency in the following categories: Baseline Credit Assessment (BCA) of ABBANK upgraded from b2 to b1; CRR-Counterparty Risk Ratings upgraded to BA3; Foreign currency deposits, local currency deposits and released partner Ratings upgraded to B1 positive ratings in bank network in Vietnam. In addition, the outlook is stably reviewed.
- > Be awarded the 2018 Vietnams Best SME Product Award (for the second consecutive year) by the International Finance Magazine (IFM).
- > Being awarded the "Best Retail Bank in Vietnam 2018" Award for the third consecutive year and the "Best Customer Service Bank in Vietnam 2018" Award by Global Banking and Finance Review Magazine.
- > Launched and organized ABBANK Family Day for the first year.

2018

- > ABBANK increased its charter capital to **VND 5,713 billion**.
- > On May 28th, 2019, ABBANK was one of the first 7 banks to successfully convert the Domestic Magnetic Card into the Domestic Smart Card according to VCCS standard of the State Bank of Vietnam.
- > TetAn Binh program was organized for the 10th consecutive year; ABBANK Family Day made a good impression to the community.
- > Successfully deployed the Risk-Weighted Assets (RWA) calculation system - Basel II project.
- > Continued to be rated by Moodys at b1 level in overall.

2019

2019 HIGHLIGHTS

“The Bank that stores happy experiences”.

2019 was an important year in ABBANKs brand development with the message “The Bank that stores happy experiences”.

In terms of services, ABBANK has improved its management capacity with the projects as Basel, LOS (Loan Originating System); digitized its banking activities through strategic projects such as building Data Governance framework, establishing Digital Banking project with a face recognition payment application Wee@ ABBANK to enhance the service experience for customers and promote cashless payment.

In terms of the brand development, after more than 26 years of operation, ABBANK has officially changed its brand identity and new transaction space to bring more convenient and comfortable service experiences to customers.



In January 2019

The 10th consecutive year that ABBANK organized successfully the Charity Program combining with a music show to celebrate the new year Tet An Binh. With the theme “Loving leaves - Tet An Binh: Nurturing happiness”, the program was a reunion between a 10-year journey bringing the Tet to all places of Tet An Binh and a 3-year journey making school dreams come true for Loving Leaves, creating a meaningful and hopeful spring for the children “with torn leaves”.



In April 2019

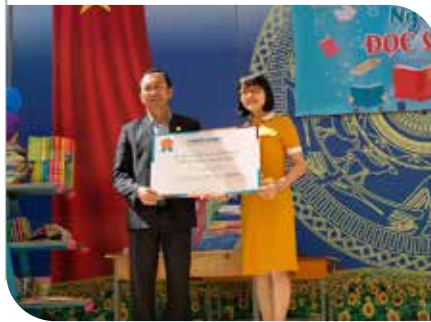
The General Meeting of Shareholders 2019 was successfully held by ABBANK. The General Meeting of Shareholders ratified business targets and the policy of moving ABBANK headquarters from Ho Chi Minh City to Hanoi.



Besides Tet An Binh program, in 2019, ABBANK continued to take the role as a Big good leave, accompanying with the premiere of VTV24s philanthropic project on the “Loving Leaves” program.

On May 22nd, 2019

ABBANK organized the Reading Day program for students of Nam Thien Primary School (Da Lat) and conferred the Friendly Library Project at 14 public primary schools with 51,000 books (total value of VND 1.3 billion) for more than 10,000 primary schoolchildren in Lam Dong province.



In May 2019

ABBANK 26th anniversary of establishment (13/05/1993 13/05/2019) was ceremonially organized.

On May 28th, 2019

ABBANK launched the domestic card ABBANK YOUcard contactless, becoming one of the first 7 banks to successfully convert the Magnetic card to EMV Chip card under the direction of the State Bank of Vietnam.

On July 10th, 2019

ABBANKs charter capital accordingly increased by VND 393,617,260,000 and reached VND 5,713,113,550,000.



On August 16, 2019

ABBANK and Hai Phong Department of Education and Training signed a cooperation agreement to implement the Friendly Library Project comprising 53,135 books and educational items for 10,627 primary schoolchildren in 10 public primary schools of Hai Phong with a total budget of over VND 1.6 billion.

In September 2019

Successfully organized **ABBANK Family Day** event for the second time at Dong Kinh Nghia Thuc Square - Hanoi with the theme "Message from the Youth". The event attracted more than 10 thousand visitors and created a useful playground as well as encouraged family values, positive attitudes and colorful experiences of young people.



On November 20th, 2019

ABBANK cooperated with Dan Tri Newspaper to organize an inauguration ceremony for the construction Learning Promotion and Education Classroom sponsored by ABBANK at Nam Ban Secondary Semi-Boarding Ethnic Minority School, Nam Nhun district, Lai Chau province. The school consists of 4 classrooms and 1 new kitchen with a total construction value of VND 500 million.



In October 2019

ABBANK issued and started to apply a new brand identity package on the system of signboards and facades of business points.

In December 2019

ABBANK officially put into operation the Risk-Weighted Assets System (RWA) in accordance with Circular 41/2016/TT-NHNN, marking a strategic step to help ABBANK improve its profit efficiency and risk management capacity, as well as creating an important foundation for the entire business development process and promoting the Basel II deployment roadmap of ABBANK.

Also in December 2019, ABBANK started to implement a website improvement project by increasing user experience and enhancing tools to support customers in learning about the Banks products and services; as well as, launched the new version of **ABBANK mobile** application enhanced with security and integrated with FaceID authentication and many other modern utilities.

In late December 2019, ABBANK signed a cooperation agreement with the project "Liter of Light" with the goal of bringing street light to 6 poor villages in Binh Phuoc province during the Lunar New Year 2020. With its efforts in sharing social responsibility, Saigon Economic Magazine awarded ABBANK with the certificate **"Enterprise for the Community"** 2019, honoring the journey to implement charity programs of ABBANK in recent years.

BUSINESS FIELDS AND LOCATIONS

ABBANK PROVIDES A SERIES OF COMMERCIAL BANKING OPERATIONS IN ACCORDANCE WITH THE LAWS AND SBVS REGULATIONS, INCLUDING:



Receiving demand deposits, term deposits, savings deposits and others;



Loan-based facilities; discount, rediscount of negotiable instruments and other valuable instruments; Bank guarantee; credit card issuance; domestic factoring;



Opening current account for customers;



Organizing internal payment, participating in the national inter-banking payment system;



Offering the domestic payment services: Providing payment facilities; performing check payment services, payment orders, collections, encashment order, collection orders, letters of credit, bank cards, collection and payment services on-behalf;



Cash management, banking and financial consultancy services; services of management, asset preservation, leasing cabinets, safe;



Opening accounts at SBV and other credit institutions and foreign bank branches;



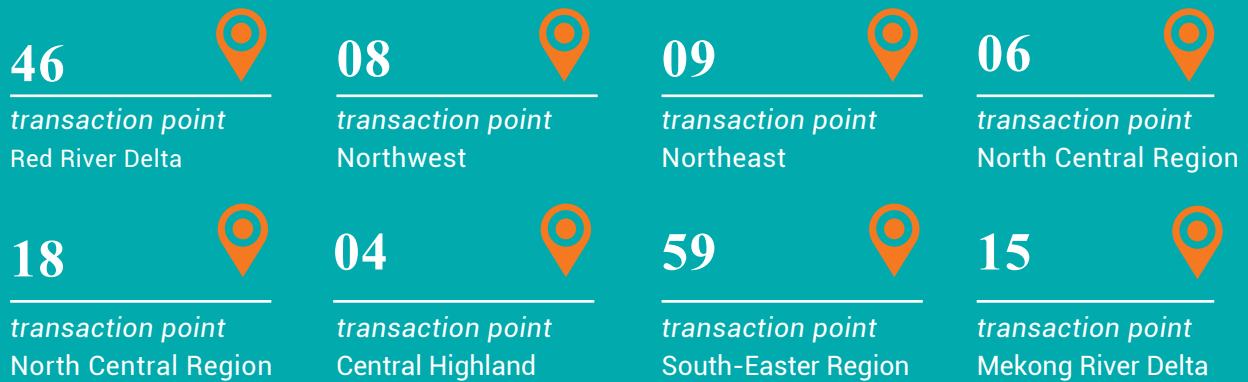
Corporate finance consultancy, M&A, merging and investment consultancy services;

- › Participating in bidding, buying and selling Treasury Bills, negotiable instruments, Government bonds, SBV bills and other valuable instruments in the monetary market;
- › Buying and selling Government bonds and corporate bonds;
- › Issuance of certificates of deposit, promissory notes, bills and bonds to mobilize capital in accordance with the Law on Credit Institutions, Securities Law, Government regulations and SBV guidelines;
- › Loans from SBV in the form of refinancing as prescribed in the SBVs regulations and guidelines;
- › Borrowing, lending, depositing and receiving capital of credit institutions, foreign bank branches, domestic and foreign financial institutions in accordance with the laws and SBV guidelines;
- › Capital contribution and share purchase in accordance with the laws and SBV guidelines;
- › Commission, trustee, acting as an agent in the field of banking operations, insurance business, asset management in accordance with the laws and SBVs guidelines;
- › Trading and providing foreign exchange services in the domestic market and the international market within the scope specified by SBV;
- › Investing in Government bond futures contracts;
- › Currency brokerage services;
- › Securities depository;
- › Electronic wallet;
- › Factoring.

By the end of 2019, ABBANKs network was successfully extended to 165 transaction points (*35 branches and 130 transaction offices*) in 35 provinces/cities.

Allocated of 165 ABBANKs transaction points in 8 geographical regions

165



ALLOCATION OF 35 BRANCHES BY GEOGRAPHICAL AREA

Red River Delta 06

Ha Noi, Vinh Phuc, Bac Ninh, Hai Phong, Hung Yen, Thai Binh

Northwest 02

Son La, Dien Bien

Northeast 03

Thai Nguyen, Lang Son, Quang Ninh

North Central Region 03

Nghe An, Thanh Hoa, Hue

South Central Region 04

Da Nang, Khanh Hoa, Quang Nam, Binh Thuan

Central Highland 01

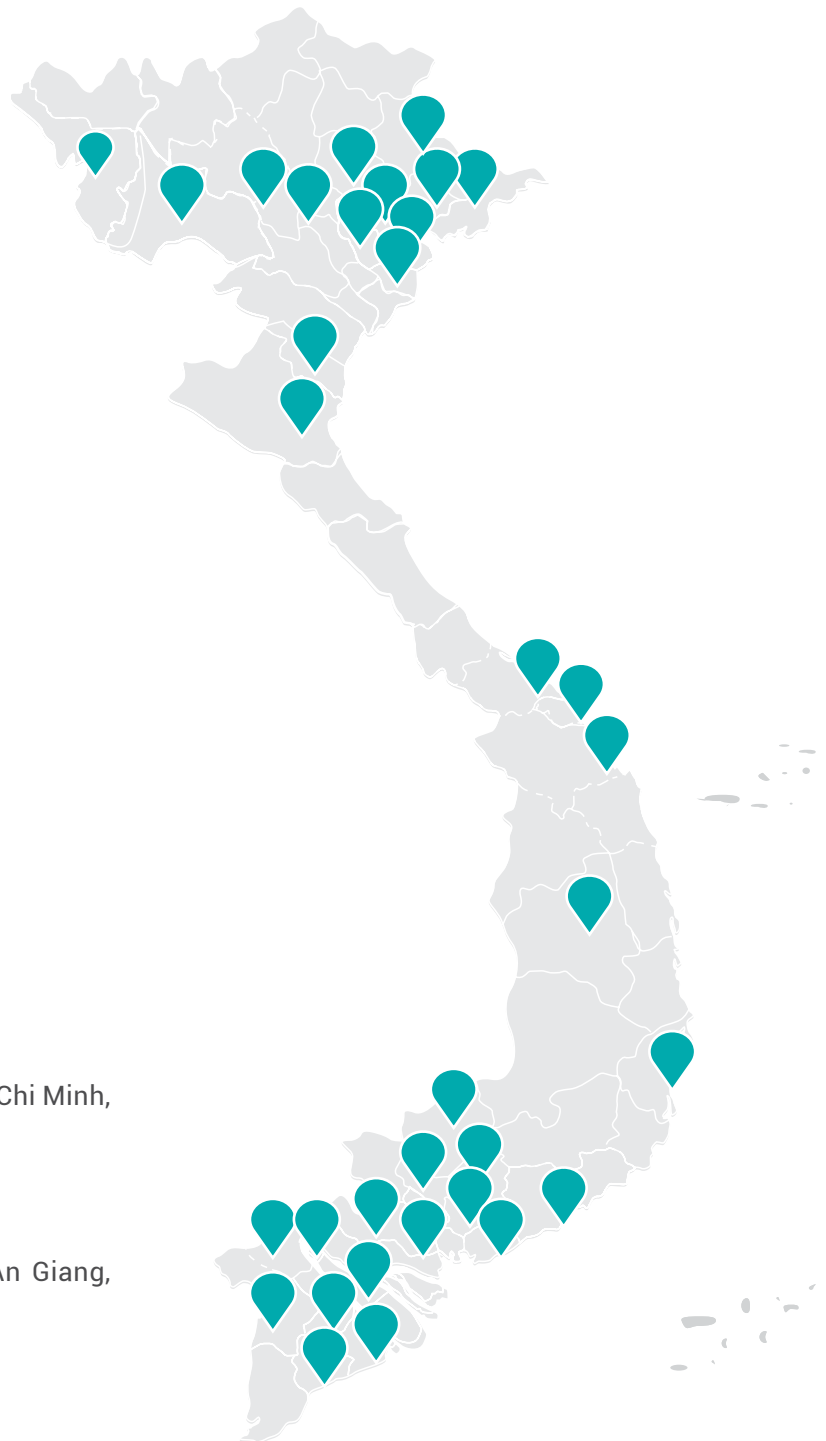
Gia Lai

South-Easter Region 07

Ba Ria - Vung Tau, Binh, Duong, Binh Phuoc, Ho Chi Minh, Dong Nai, Tay Ninh, Sai Gon

Mekong River Delta 09

Long An, Tien Giang, Vinh Long, Dong Thap, An Giang, Kien Giang, Can Tho, Soc Trang, Bac Lieu



2019 was recorded with ABBANKs ceaseless improvement of operating efficiency and physical facilities at transaction points to better serve its customers. Especially, ABBANK completed the procedures for the relocation of its headquarters from Ho Chi Minh City to Hanoi and was approved by the State Bank of Vietnam.

In the coming years, with the strategic objective of becoming the leading commercial bank in Vietnam, ABBANK will focus on the retail sector and develop the existing network of available business units. At the same time, ABBANK will continue to expand its network to key provinces/cities, especially provinces/cities in the North West where have high economic growth rate and highly appreciated business & investment environment.



MANAGEMENT AND ORGANIZATION STRUCTURE

GOVERNANCE MODEL

According to ABBANKs Charter and the legal regulations, ABBANK structure and management is organized pursuant to the model of joint-stock company:













GENERAL MEETING OF SHAREHOLDERS

- › The General Meeting of Shareholders (GMS) involves all shareholders having the voting right and is the highest organ of ABBANK. The GMS is empowered important tasks and authority such as approving the Banks development orientations; approving the Banks Charter; electing, removing, dismissing the Board of Directors and the Supervisory Board; approving annual financial statements; approving profit distribution after completion of tax obligations and other financial obligations; making decisions on investment, purchase, sales of assets valued at 20% of the charter capital or more; making decisions on splitting, consolidating, merging, change of legal status, dissolution or bankruptcy.
- › The GMS approves decisions under its authority through voting at meetings or voting the written texts by circulation in compliance with the laws and the Banks Charter.
- › Decisions of the GMS are ratified if supported by a quorum of shareholders representing 51% of the total number of votes or more except cases where a quorum of 65% is required for approval of decisions such as change of charter capital; Revision of the Charter; Investment, purchase, sales of assets valued at 20% of the charter capital or more; Restructuring, termination of the

Banks business. The decisions of the GMS are adopted in the form of collecting shareholders opinions, shall be adopted when the number of shareholders representing at least 71% of the total votes of all approved shareholders.

› Details:

- The annual GMS is convened within 04 months as from the ending date of the financial year. In 2019, the Annual GMS was held on April 25th, 2019 in Ho Chi Minh City.
- All shareholders were eligible to attend the GMS as stipulated under Section VI, Article 32 of the Bank Charter.
- The shareholders eligible for the meeting the GMS were informed by post, through website and national newspapers in accordance with regulations on procedures of GMS holding.
- The procedures to inform the meetings agenda and the methods to access the meetings documents are stipulated in the Bank Charter and published on the website: www.abbank.vn.
- The agenda of the annual GMS, the voting form, the voting results and the minutes of the GMS were published on the banks website: www.abbank.vn. In addition, the meetings related documents were provided along with the agenda (or were provided to those who were eligible for the GMS).

THE BOARD OF DIRECTORS

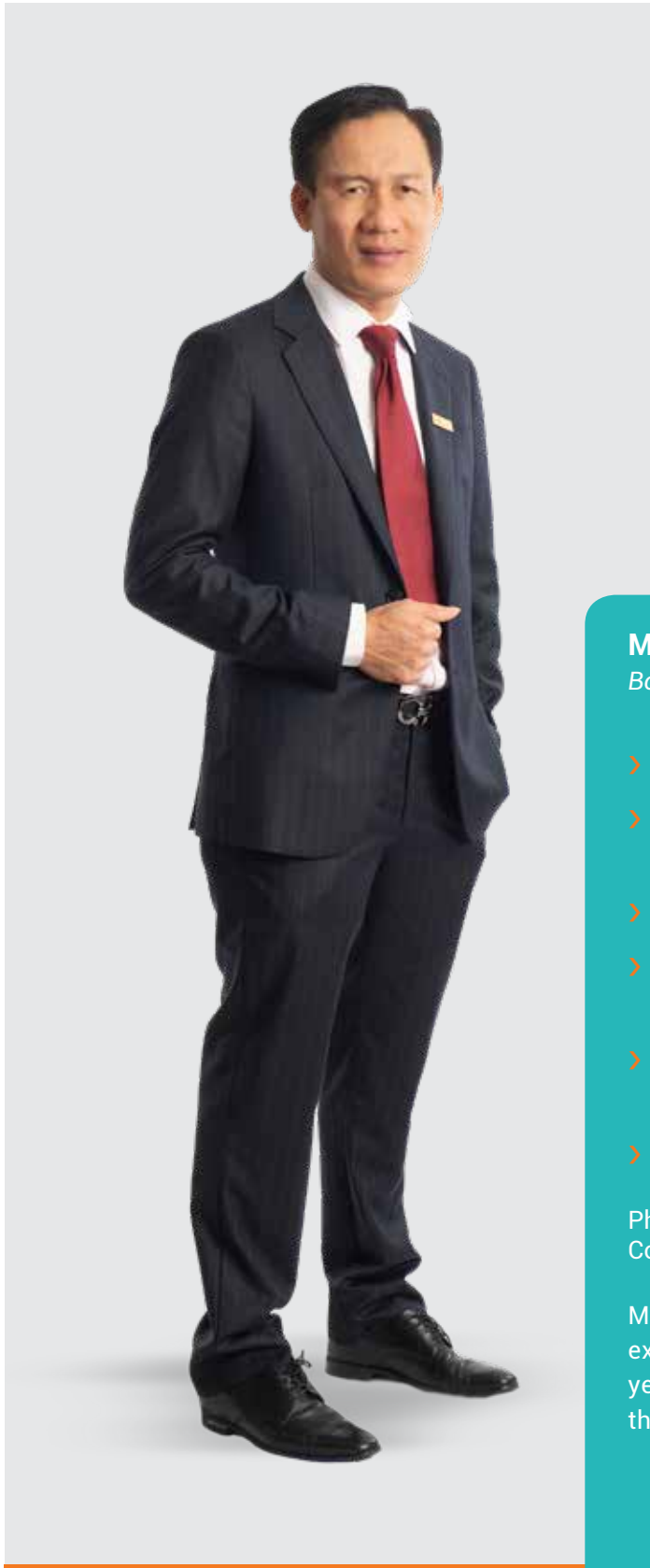
- › **Roles of the BOD:** The BOD is a governing body empowered to make decisions and exercise rights and obligations of ABBANK on
- › **Structure of the BOD:** The BOD of ABBANK for the 2018-2022 has been elected by the GMS on April 25th, 2018, with 06 members in 2019. All members of the Board of Directors are non-executive members, two of whom are independent ones.

List of Boards

FULL NAME AND TITLE	EXECUTIVE	NON-EXECUTIVE	INDEPENDENT	FROM	REMARK
<i>Chairman:</i> Mr. Dao Manh Khang		x		27/5/2011	
<i>Vice Chairman:</i> Mr. Vu Van Tien		x		10/6/2003	
<i>Member:</i> Mrs. Iris Fang		x		28/4/2016	
<i>Member:</i> Mr. Soon Su Long		x		25/4/2018	
<i>Member:</i> Mr. Luu Van Sau		x	x	25/4/2018	
<i>Member:</i> Mr. Nguyen Danh Luong		x	x	25/4/2018	

Non-executive directors (hereinafter referred to as non-executive members) are the BOD members who are not directors (nor General Director), deputy directors (Nor Deputy General Directors), Chief Accountant and other executives in accordance with the Company's Charter. (Pursuant to Article 2 of Decree No. 71/2017/ND-CP dated 06 June 2017 of the Government on corporate governance applicable to public companies).

OVERVIEW ABOUT MEMBERS OF THE BOARD OF DIRECTORS (2018 - 2022 TERM)



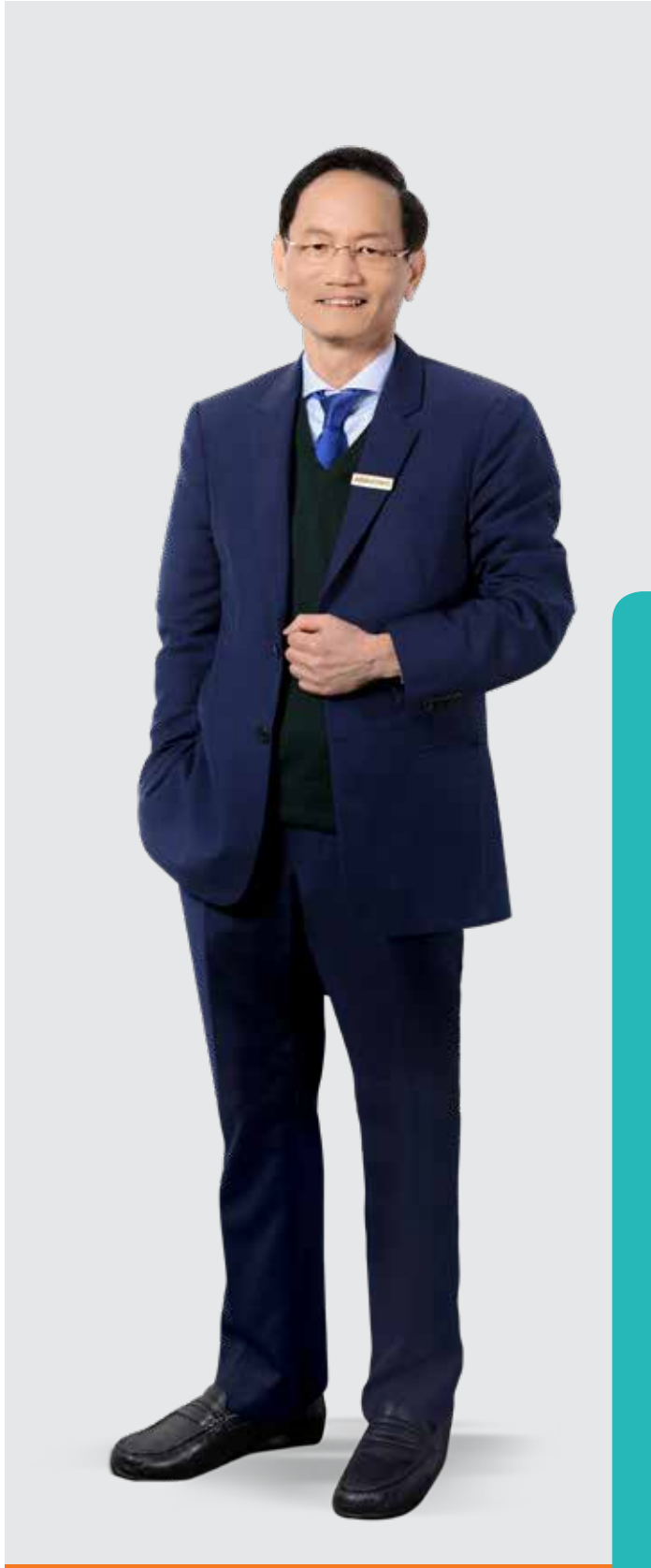
MR. DAO MANH KHANG

Born in 1969

- › **Chairman**
- › **Chairman of ABBANKs Steering Committee on strategic initiatives**
- › **Chairman of ABBANKs Strategy Committee**
- › **Member of ABBANKs Risk Management Committee**
- › **Member of ABBANKs Human Resource Committee**
- › **Chairman of Debt Settlement Committee**

Ph. D in Economics - Vietnam University of Commerce

Mr. Dao Manh Khang has 26 years of experience in Finance and Banking, and 14 years working at the Supervisory board and the BOD of ABBANK.



MR. VU VAN TIEN

Born in 1959

- › Vice Chairman Permanent member
- › Chairman of ABBANKs HR Committee
- › Member of ABBANKs Strategy Committee

Bachelor of Economics - National University of Economics

Mr. Vu Van Tien is one of the most successful and prestigious entrepreneurs in Vietnam. He has been honored with a series of awards by the Government and the State of Vietnam for his great contribution to the Vietnam economy development such as Third-class Labor Medal; Medal of "Devotion for the Young Generation"; Certificate of Merit from the Prime Minister of Vietnam; Certificate of Merit from the Peoples Committee of Hanoi; Red Star Award; 2015 Brilliant Citizen Award. He has continuously participated in the management of ABBANK at the highest positions in the Board of Directors since 2003.



MRS. IRIS FANG

Born in 1952

- > **Member**
- > **Member of ABBANKs Strategy Committee**

MBA at Georgia University, USA

Mrs. Iris Fang has 43 years of experience working for international financial institutions in the United States and Asia: American Express, Bank of America, Chase Bank, Standard Chartered Bank; and was a Member of the Board of Directors of Vietnam Holding Limited. In addition to being a trainer at Vietnam Bankers Training Academy and a visiting lecturer at RMIT University Vietnam, she is also a consultant for projects of IFC and SECO. She has been elected as a Member of the BOD of ABBANK since 2016.



MR. SOON SU LONG

Born in 1968

- > **Member**
- > **Member of ABBANKs Strategy Committee**

Bachelors Degree in Accounting and Finance, London School of Economics and Political Science.

Member of the Institute of Chartered Accountants in England and Wales.

Mr. Soon Su Long has been working in Vietnam since 2012 as the General Manager of Maybank Vietnam and has been elected as a Member of the BOD of ABBANK since 2018.



MR. NGUYEN DANH LUONG

Born in 1957

- › Independent BODs Member
- › Chairman of ABBANKs Risk Management Committee
- › Member of ABBANKs Strategy Committee

Doctorate Degree in Economics, with a Major in Finance and Banking, Banking Academy.

Mr. Nguyen Danh Luong has 32 years of experience in the fields of accounting, finance, and business management. He has held key positions at Vietcombank such as: Deputy Director of Transaction Office, Director of Transaction Office, Deputy General Director, member of the Board of Directors of Bank for Foreign Trade of Vietnam.



MR. LUU VAN SAU

Born in 1955

- › Independent BODs Member
- › Member of ABBANKs Strategy Committee

Master in Finance and Banking - National Economics University, Hanoi.

Mr. Luu Van Sau is a senior expert of 5/6 grade in economic management, with a wide range of qualifications and 35 years of intensive experience in the fields of credit, foreign exchange, economic analysis, research and economic management. He has held important positions such as Deputy Director General of Economic Research Department under the State Bank of Vietnam, Deputy Director acting as Director of General Economic Department under Government Office. He has been awarded many Medals, Blazons and Certificates of Merit by the State and the Government, such as: 01 Third-Class Labour Medal in 2010; 02 Second-Class Labour Medal in 2015; Certificates of Merit from the Prime Minister in 2002, 2003, 2006, 2010; Certificate of Merit from the President in 2012; Certificate of Merit from the Minister of Finance in 2010; Certificate of Merit from the Minister of Defense in 2011; Badge for Dedication to the Banking Industry.

ACTIVITIES OF THE BOD

In 2019, the BOD had 03 meetings. In addition, the BOD considered and carried out absentee voting on matters under its authority in between the meetings.

The attendance information of each BOD member is as follow:

FULL NAME AND TITLE	NUMBER OF ATTENDED MEETINGS	NUMBER OF UNATTENDED MEETINGS	NUMBER OF ATTENDABLE MEETINGS
<i>Chairman:</i> Mr. Dao Manh Khang	3	0	3
<i>Vice Chairman:</i> Mr. Vu Van Tien	3	0	3
<i>Member:</i> Mrs. Iris Fang	3	0	3
<i>Member:</i> Mr. Luu Van Sau	3	0	3
<i>Member:</i> Mr. Nguyen Danh Luong	3	0	3
<i>Member:</i> Mr. Soon Su Long	2	1*	3

* Excused absence with prior notice

The voting information in written form of each BOD member is described as follows:

FULL NAME AND TITLE	NUMBER OF DOCUMENTS TO BE VOTED	NOT VOTING	VOTING
<i>Chairman:</i> Mr. Dao Manh Khang	67	0	67
<i>Vice Chairman:</i> Mr. Vu Van Tien	66	0	66
<i>Member:</i> Mrs. Iris Fang	68	23	45
<i>Member:</i> Mr. Luu Van Sau	68	0	68
<i>Member:</i> Mr. Nguyen Danh Luong	68	0	68
<i>Member:</i> Mr. Soon Su Long	68	24	44

EVALUATION OF THE BOD

Members of the BOD conduct evaluations and self- assessment in compliance with the Regulation on organization and operation of the BOD and provisions of the laws.

COMMITTEES UNDER CONTROL OF THE BOD

› STRATEGIC COMMITTEE (SC):

- SC is an agency under the BOD established to advise and assist the BOD in development, monitoring and supervision of business plans and strategies of ABBANK.

› THE RISK MANAGEMENT COMMITTEE (RMC):

- RMC was established to assist the BOD to execute their authority and responsibility in making decisions for risk management strategies and monitoring the implementation of measures to prevent risks (except for issues under the jurisdiction of the General Meeting of Shareholders).

› THE HUMAN RESOURCE COMMITTEE (HRC):

- HRC was established to help the BOD to execute their authority and responsibility in making decision for management policies and personnel structure of the Bank (except for issues under the jurisdiction of the General Meeting of Shareholders).

› RISK MANAGEMENT COMMITTEE:

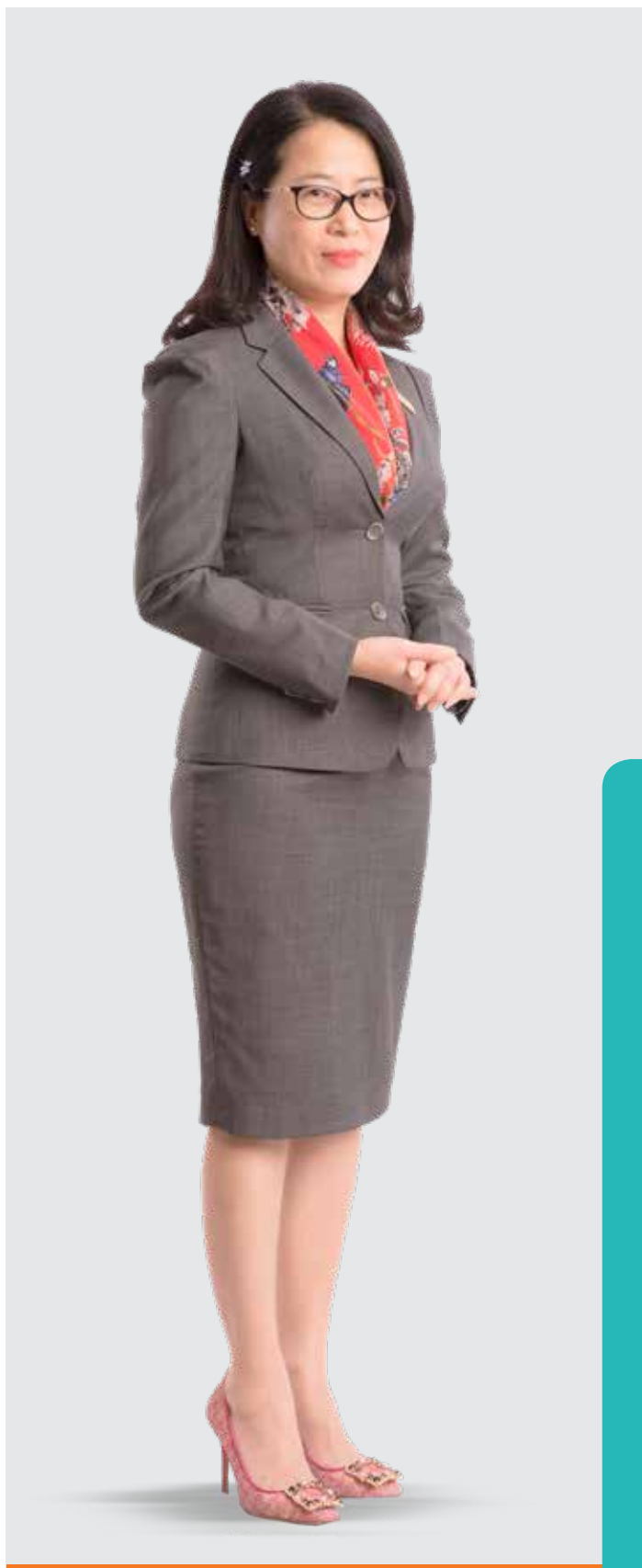
- Established with the main purpose to advise and decide on implementing credit risk provision policies in accordance with ABBANKs regulations and the law.

› DEBT MANAGEMENT COMMITTEE:

- Established with the main purpose to advise and assist the BOD in debt management.



THE SUPERVISORY BOARD



MRS. NGUYEN THI HANH TAM

Born in 1972

> Chief Supervisor

Bachelor of Finance and Credit
Bachelor of Accountancy
Master of Business Administration
Chief Accountant Certificate

Mrs. Nguyen Thi Hanh Tam has 27 years of experience in accounting, auditing in banking and finance sector. She has held the position of Financial Accounting Director, Vietcombank Leasing; Head of Finance and Accounting Department - Bao Viet Commercial Joint Stock Bank. She is the Chief Accountant of ABBANK continuously from 2010 to present.



MRS. PHAM THI HANG

Born in 1971

› **Dedicated member**

Bachelor of Finance and Credit
Bachelor of Laws
Master of Banking and Finance

Mrs. Pham Thi Hang has 23 years of experience in field of inspection and supervision of the State Bank, internal audit of banks and finance companies. She has joined in ABBANKS BOS since 2016.



MRS. NGUYEN THI THANH THAI

Born in 1963

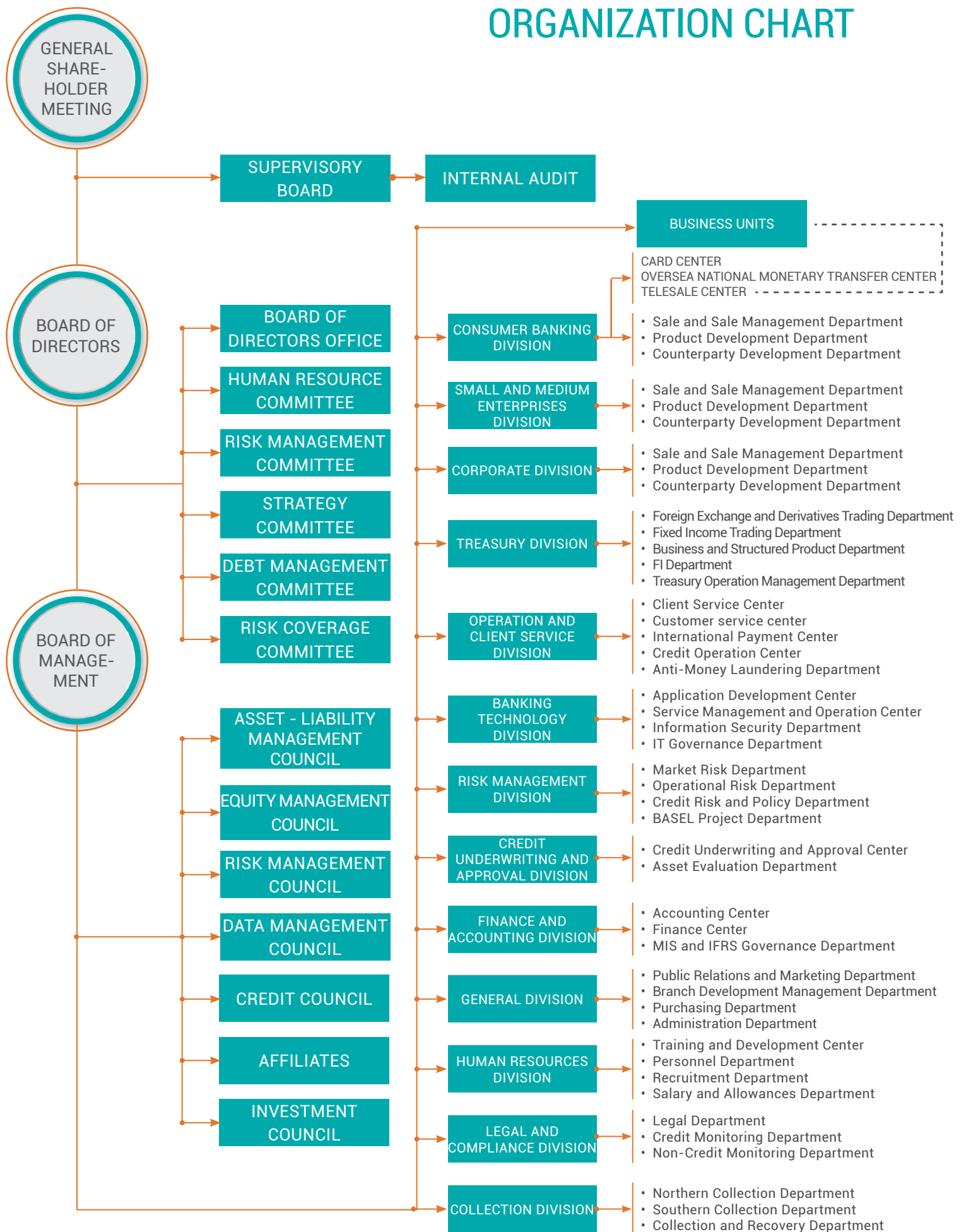
› **Semi-specialized Supervisory Boards
Member**

Bachelor of in Finance and Credit.

Mrs. Nguyen Thi Thanh Thai has 34 years of experience in the field of Finance and Banking, and has held key positions in business areas, credit appraisal and business unit management at the Bank for Agriculture and Rural Development of Vietnam (Agribank). She was elected to the ABBANKs Supervisory Board for the 2018-2022 term since April 25th, 2018.



ORGANIZATION CHART



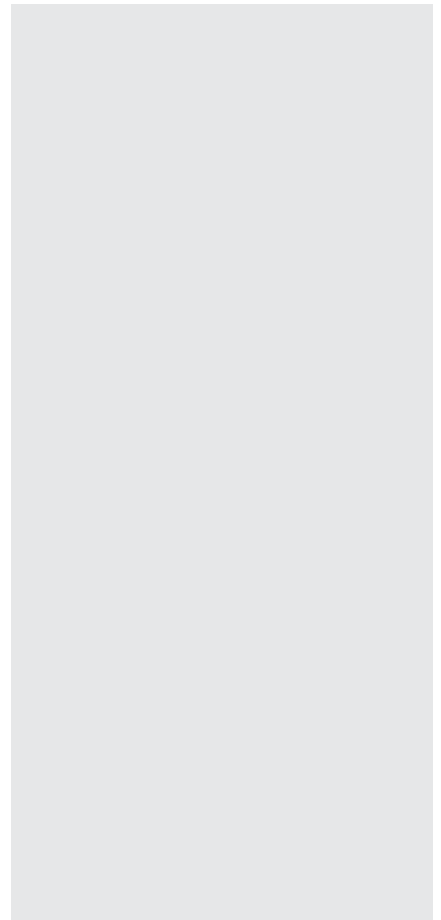
SUBSIDIARIES AND ASSOCIATED COMPANIES

ABBANK ASSET MANAGEMENT ONE MEMBER COMPANY LIMITED (ABBA)

- › Relationship with ABBANK: Subsidiary
- › Address: 2nd Floor, Geleximco Building, 36 Hoang Cau Street, O Cho Dua Ward, Dong Da District, Hanoi.
- › Major Fields of Business: Liquidating the collateral assets; Debt restructuring; Handling collateral assets: Repairing, upgrading for trading, leasing, or commercial purposes; Trading debts of credit institutions or debts and assets management companies; Real estate and hotel business; Leasing machines and equipment and transport vehicles (with engine); Leasing tools and instruments for individuals and household; Assisting financial services: Entrusting and supervising services based on fee and agreement; Debt trading intermediary; Stock and warehouse services; Leasing machines, equipment, and other material items.
- › Charter Capital Contributed: VND 260,000 million
- › ABBANKS Ownership Ratio: 100%

ABBA SECURITY ONE MEMBER COMPANY LIMITED (ABBAS)

- › Relationship with ABBANK: Subsidiary of ABBANK, indirectly invested through ABBA
- › Address: 2nd Floor, Geleximco Building, 36 Hoang Cau Street, O Cho Dua Ward, Dong Da District, Hanoi
- › Major Fields of Business: Personal bodyguard activities - Providing security services.
- › Charter Capital Contributed: VND 2,000 Million
- › ABBANKS Ownership Ratio: 100%



DEVELOPMENT ORIENTATION

Stable and sustainable growth target, focusing on retail, including individual customers and SMEs is the long-term development orientation of ABBANK. To achieve this target, ABBANK invests in human resources, technology, products, build the effective risk management methods and routers together with innovation and improvement in quality and services, advanced infrastructure investment for best customer service in order to protect the benefits and interest of shareholders, customers, the community and employees of ABBANK.

ABBANK continues to implement the post-transfer tasks in order to improve business performance directly guided by the Board of Directors through the key project "Improving organizational and operational efficiency of ABBANK" with 3 main goals:

- Increase the sales ability of the branches and transaction offices.
.....
- Comprehensive risk and quality management.
.....
- Especially the well-qualified human resources.

The inspection, review and adjustment during and after the process of changing the business model at the Banks business units are always adequately implemented, serving the prerequisite goal of sustainable and effective operation.

“Improving
organizational
and operational
efficiency of
ABBANK”

”



In 2019, ABBANKs strategic projects for business activities have been implemented drastically, with the close guidance of the Board of Directors and the Board of Management. The well-invested technology system, strong business development plan with the support of digital technology have brought many experiences to customers and proved effective when the number of customers of ABBANK exceeded the milestone of 1 million. The transition of business model accompanied by modern business tools has created many favorable conditions for business growth and breakthrough for the next years, well preparing for capital increase and listing ABBANK shares on the stock market.

Response to ABBANKs retail development strategy with a focus on personal customers and SMEs, in the framework of cooperation with foreign shareholders, ABBANK cooperated with IFC and

launched a series of technical cooperation projects such as "Improvement of SMEs competitiveness", "The project of smart agricultural credit development", with IFC and ABBANK cooperation to successfully deploy a medium and long-term financing package, worth US \$ 150 million, in which IFC and ABBANK agreed to spend 30% to finance women segment - Women Segment for short. IFC also pledged to provide technical support to ABBANK in issues of market research, product design, marketing, developing offering value for Women Segment projects; support the transfer of experiences and support relationships to organize seminars, connect with associations, partners related to Women Segment.

IFC and ABBANK also continued to organize IT seminars on developing a modern technology platform for business and banking management.

In 2019, the Chairman of the Board of Directors also established a Steering Committee to implement the Data Governance Framework Strategy Project. This is a very important project in order to provide a policy framework for data management - valuable assets of the Bank, serving a basis for comprehensive connection with the existing and future technology application projects of the Bank such as Loan Originating System (LOS), Management Information System and Intelligent analytical tools (BI/MIS), Customer Relationship Management (CRM), Asset and Liability Management (ALM), Risk-weighted assets (RWA), Internal Capital Adequacy and Assessment Process (ICAAP)... These projects that came into operation have brought practical effects to ABBANK, contributing to completing an efficient, professional and modern ABBANK.

In addition, ABBANK has hired senior experts on Risk Management and Corporate Governance, participated to develop the Basel II Risk Management Framework in accordance with the SBVs regulations. The project is being initiated and would be finalized within the roadmap from now to 2020 as required by SBV.

In particular, the image of ABBANK continued being located to family, focusing on customer service experience by adjusting the new brand identity with a highly-applicable, modern and friendly style; apply technology to products and services to save time, bring more added value to customers.

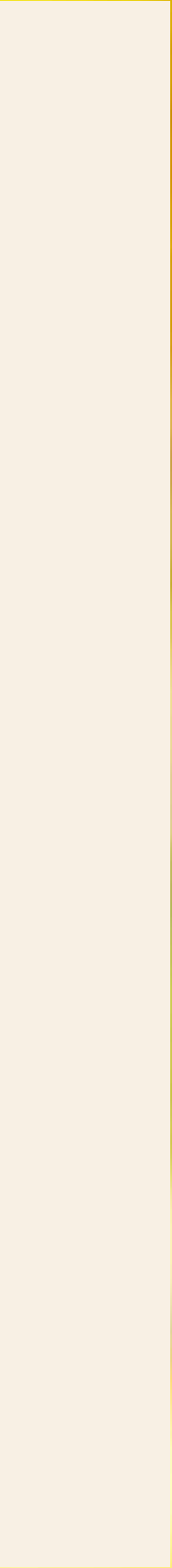
Along with the above, the investing and devoting a lot of enthusiasm to charitable activities for education and people, building new rural facilities throughout the country also contributed to ABBANK brand recognition as well as strengthening ABBANKs brand and reputation as a modern, community-friendly and responsible bank



RISK MANAGEMENT

Focusing on a lot of solutions for risk management in the technology era 4.0

In 2019, ABBANKs policy system on risk management was continued to be strengthened, the operating efficiency of three hedge routes is accordingly enhanced and assured that the Banks key risks were fully controlled and well matched with the risk appetite issued by the BOD. Besides, due to the increased information technology risks in the transition period to the technology era 4.0, a series of solutions were launched to enhance control, proactively prevent data loss and encryption, and protect internal data and customer information.

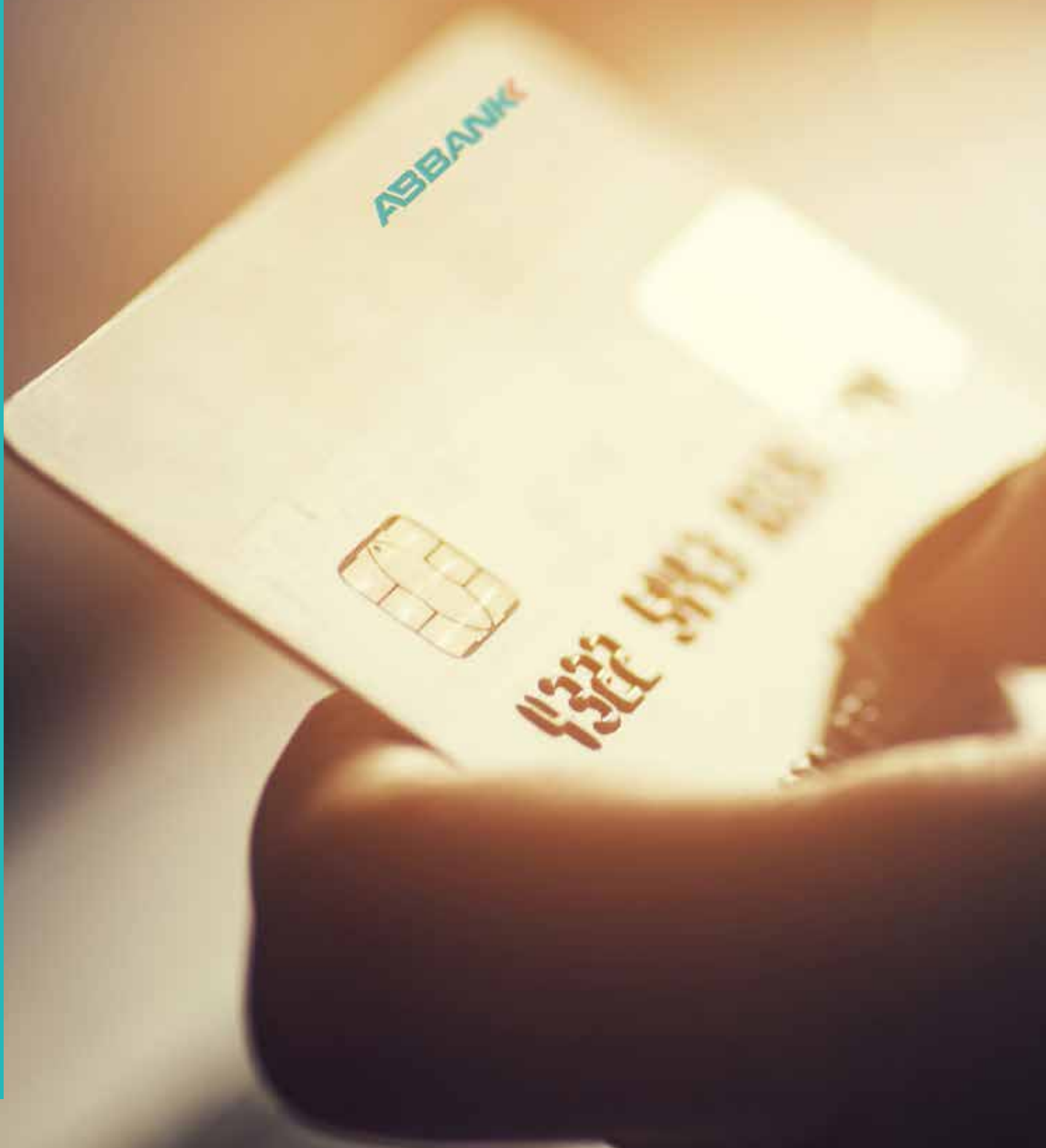


CREDIT RISK MANAGEMENT

In 2019, ABBANK reviewed, revised, supplemented and completed its internal policies and regulations to ensure compliance with the requirements of internal control system as prescribed by the State Bank in Circular No. 13/2018/TT-NHNN (Circular 13) and legal regulations, the Banks credit orientations for 2020. ABBANK also issued Risk appetite, Credit Development Orientation, Credit Risk Limit 2019 to guide its business activities during the year.

ABBANKs credit risk management was continuously improved and completed with key projects to match with the risk management strategy and gradually approach the international standards: reorganize the centralized credit approval model; improve the Basel II-standardized customer grading and rating model; building a new rating model for SMEs segment.

It also regularly and continuously controlled and monitored safety indicators and timely gave the warnings on compliance with risk limits; provided sufficient information, report credit risks to SBV, strategic shareholders Maybank, IFC, BOD, RMC, Board of Management... and promptly released the concerned warnings to ensure safe and sustainable development of ABBANK credit operations and complied with SBVs regulations and its commitments with partners.



OPERATIONAL RISK MANAGEMENT



Operational risk is a special type of risk, likely arising in almost all aspects of banking operations, with a correlation with most causes of other types of risks. Therefore, the impacts and risks of loss from operational risk are often quite serious, especially when high-tech crime and the complexity of various types of risks tend to increase now.

In 2019, in addition to common activities such as

collecting and assessing risk information, media raising risk management culture, strengthening the policy system ..., operational risk management in ABBANK also focused on promoting the self-identification process and risk assessment at each unit throughout the system, as well as strengthening supervision activities for the Banks key risk indicators. In addition, ABBANK has researched and perfected the policy/

appetite system as well as specific analysis of risk limits by each business activity category, making operational risk supervision tighter, more comprehensive and more accurate. Risk management issues related to human factors are also focused with strong improvements in internal processes, especially the Bank also organized internal competitions to promote and transmit the standards of code of conduct,

improve professional ethics for all employees of the Bank. The control system in each business process is also constantly improved and consolidated at many levels. This not only helps ABBANK effectively control issues related to internal fraud, but also establishes a civilized working environment, promotes corporate culture, enhances trust from partners and customers.

In the last year, with the attention and support from the SBV and the leaders at ABBANK, Business Continuity Plan (BCP) has made strong progress, which is reflected by the fact that ABBANK succeeded in analyzing and assessing the impact of natural disasters/crisis incidents on the Banks operations, developed the BCP scenarios, organized a workshop to guide the scenarios on counter-terrorism prevention and security assurance; effectively operated the 24/7 standing mechanism of crisis handling in which it directly involved, supported business units. The BCP portal has also been researched and initially put into operation, facilitating extensive connection and support among the units across the system to successfully complete the task of ensuring business safety at ABBANK.

Regarding the risk management related to information technology, being aware of the potential risks that may cause data loss, ABBANK has focused its investment resources on IT system. In particular, it has improved the firewall system, established network security management solutions, data encryption, prevented unauthorized access to the Banks database system, deployed tools for strictly controlling the internal information security, minimized the spread of internal data to the public. ABBANK is also one of the first banks in Vietnam to develop and rehearse IT disaster recovery plan (DRP). Accordingly, DRP plans are coordinated with BCP to ensure timely response mechanism to IT incidents, ensure IT systems operate safely and continuously.

2019 also marked a strong development in data management at ABBANK through the implementation of Data Governance Project. This is one of the strategic projects to meet the SBVs regulatory compliance requirements and plays an important role in developing and maintaining a data security management ecosystem at ABBANK, creating the foundation for the effective implementation of projects serving business needs and risk

management. In the coming time, not only does it stop at compliance level, ABBANK also orients and will continue to promote and implement the evaluation and management plan for other common data elements (CDEs) of the Bank, aims to build an advanced and sustainable data management platform.



MARKET, LIQUIDITY & INTEREST RATE RISK MANAGEMENT

In 2019, ABBANK issued strategies, documents of market risk management, liquidity risk and interest rate risk on bank books and counterparty credit risk to meet Circular No. 13, Circular No. 41/2016/TT-NHNN (Circular 41) of the SBV.

At the same time, ABBANK continuously conducted research, development and implementation of risk measurement and management tools. In addition, ABBANK established risk appetite, limits and internal limit thresholds to control risks within acceptable levels, ensure safe operation and optimize profits of ABBANK. Depending on the actual situation of the market and internal situation of ABBANK, the bottlenecks in the liquidity risk reports will be adjusted accordingly.

In order to improve the efficiency of risk management, ABBANK also uses official information sources in the market, in collaboration with reputable and professional consultants to update methods, pricing models and risk measurement compatible with the market situation in Vietnam.

With the goal of ensuring safe business operations and optimizing profits of ABBANK, the market risk management department is always on hand, supporting Divisions/Departments/Boards, especially Treasury and Currency Trading Division in the implementation of profit strategies, targets in the short, medium and long term. In addition, the Market Risk Management Department focuses on providing timely information, changes, analyzes the domestic and global macroeconomic situation to the Divisions/Departments/Boards of ABBANK, gives comments, warnings and forecasts in daily/monthly/annual financial news.



BASEL IMPLEMENTATION

In 2019, ABBANK successfully deployed the Risk-Weighted Assets (RWA) project and officially put into operation the CAR computing system under Circular 41 of the SBV.

The RWA system was well invested by ABBANK in consultation with globally and domestically experienced foreign experts and partners in risk management. This is a strategic step to help ABBANK improve its profitability and risk management capacity, creating a solid premise for the implementation of ICAAP activities under Circular 13 in 2020, as well as serves an important foundation for the whole process of business development and promotion of Basel II implementation roadmap of ABBANK.

The RWA project has achieved some key objectives as follows:

1 < 2 < 3 < 4 < 5

Upgrade and supplement the system to improve the Banks data architecture and ensure CAR safety calculations as well as risk-based profitability support capital allocation.

Develop automatic CAR calculation system periodically and in case of unexpected requirements with high reliability.

Communicate to the leaders and throughout the bank about changes in the requirements of the SBV as well as orientations to optimize RWA.

Improve risk management capacity in some areas such as capital product pricing, limit management, and special asset management.

Initially access to capital management, capital planning.

In 2020, on the basis of the results of the RWA project, ABBANK continues to internally implement the ICAAP project in compliance with Circular 13. The main objective of ICAAP implementation is to build a comprehensive risk assessment framework as well as to calculate the economic capital for ABBANK, serving as the basis for capital planning associated with the Banks medium-term plan.

OPERATIONAL STATUS IN 2019

02





BUSINESS OPERATION SITUATION

AT THE END OF 2019, ABBANKS TOTAL ASSETS SURPASSED VND 100,000 BILLION, PROFIT BEFORE TAX REACHED VND 1,229 BILLION

At the end of 2019, ABBANK had the total assets of VND 102,487 billion, profit before tax reached VND 1,229 billion (fulfilling 136.4% compared to 2018). Important business targets were recorded with significant growth compared to 2018 and sustainable.

Assessment of some financial targets in 2019

TARGET (BILLION VND)	MAKING IN 2018	IN 2019	
		MAKING	PLAN
Total assets	90,237	102,487	105,720
Deposit	64,490	74,786	82,609
Loan	52,465	56,956	61,323
Profit before tax	900.8	1,229	1,220

Notes: Rounded data from the audited separate financial statements

Specifically, as of the end of December 31, 2019, pre-tax profit reached VND 1,229 billion, fulfilling 100.7% of the 2019 plan and 136.4% compared to 2018; Total assets reached VND 102,487 billion, equivalent to 113.6% compared to 2018. As such, by increasing the proportion of profitable assets against the total assets, ABBANK has achieved a greater growth in term of efficiency than in term of scale.

Total deposit reached VND 92,683 billion, up 13% over the same period in 2018. Total debit balance grew 19% compared to 2018, reaching VND 65,105 billion. In particular, all three segments of corporate customers, SMEs, individual customers recorded good growth results of 4.9%, 26.5%, 11.6% compared to 2018, respectively. Interest income reached VND 2,437 billion, up 22% compared to the same period of 2018.

Bad debt on total debit balance continued to be strictly controlled by ABBANK, under 2%, in compliance with the regulations of the SBV. In parallel, the operational efficiency and safety of ABBANK in 2019 also continued to be guaranteed through indicators such as RoA of 1.4%; RoE of 17.1%; CAR of 10.5%.

In addition to ensuring operational efficiency and business growth, in 2019, ABBANKs brand name were drastically promoted on many media channels such as Television (24-Hour Motion, Loving Leaves Program, Financial News at the end of 2019 ...), Radio (traffic VOV), Print newspaper/Electronic newspaper (with information on high-level personnel and activities), large scale Conferences/Seminar (Development Forum of electronic payment ecosystem 2019 with the theme "Moving with chip technology"...), Broadcasting advertisements on the seat screens on Vietnam Airlines flights..., helping increase customers access to ABBANKs brand, products and services.

Also in the plan "to accompany customers development", ABBANK is gradually implementing an ABBANK ecosystem - "An Binh ecosystem" between the Bank and its partners and customers to develop sustainably, effectively and maximize benefits for the parties.



CONSUMER BANKING OPERATION

One of the first 7 banks in Vietnam to successfully convert and issue a Magnetic card to a Smart card according to the VCCS standard of the State Bank of Vietnam.

TARGET (BILLION VND)	MAKING IN 2018	MAKING IN 2019	% 2019 COMPARED TO 2018
Deposit	30,696	35,554	116%
Lending	22,507	25,122	112%
Volume of customers	863,246	970,085	112%

Regarding its personal finance segment, ABBANK made positive breakthroughs in 2019

INDIVIDUAL CUSTOMER
DEBIT BALANCE REACHED
VND 25,122 BILLION,
EQUIVALENT TO 112%
COMPARED TO 2018.

DEPOSIT REACHED
VND 35,554 BILLION,
EQUIVALENT TO 116%
COMPARED TO 2018

ABBANK strived to follow closely with the unit in all business activities, providing optimal financial product packages and professional service packages of ABBANK to each customer.

Cho Vay
**MUA NHÀ/ĐẤT,
XÂY/SỬA NHÀ**
MỨC CHO VAY ĐẾN
90%
nhu cầu vốn
THỜI GIAN VAY: 20 NĂM.

PRODUCT DEVELOPMENT

In 2019, ABBANK adjusted and issued the "Regulation on savings deposits" and the "Term deposit regulation", adjusted the existing deposit products to comply with the regulations of the State Bank. With the desire to improve service quality, meet the increasing needs of customers, ABBANK built and successfully implemented some new features "Looking up saving books online; deploying terraced savings with online banking..." and preferential policies "Honoring Women; Save Online - Immediately Enjoy More Interest Rate; The Higher Balance - The Higher Interest Rate".

In terms of credit, ABBANK issued loan product for purchasing real estate with a certificate, loan for purchasing project real estate to standardize product regulations in line with the current market and compete with other credit institutions, flexible real estate purchasing loan product to diversify ABBANKs products, loan product for refinancing mobile supplement limit to simplify procedures and documents for customers.

ABBANK coordinated with payment intermediaries, develops new products and launches services: MoMo, Vimo, Moca e-wallets, Ngan Luong online payment gateway, ... and many incentive programs. In addition, in 2019, ABBANK has added functions for ABBANKmobile such as

entering promotion code when paying with QR code, and many features: login and face recognition verification Face ID, booking bus, train tickets, hotel, buying insurance to meet the increasingly diverse needs of customers.

Completed the project of card issuance and acceptance of contactless card payment for ABBANK Visa international card for individual customers in early 2019. With the completion of the project ahead of schedule, ABBANK was supported by Visa Inc. with installation cost for each POS from 25 USD - 50 USD with a total budget of 10,000 USD.

Completed the whole project of issuing and accepting payment for domestic contactless cards and contact cards according to VCCS standards of the State Bank. On May 28, 2019, ABBANK officially issued domestic smart card ABBANK YouCard to customers and currently only ABBANK and TPBank are 2 out of 7 banks selected to pilot have officially issued domestic smart cards to their customers.

PARTNERSHIP DEVELOPMENT

Cooperated with Vietnam Aviation Insurance Corporation (VNI) in providing private home insurance and credit insurance. This cooperation contributes significantly to fee revenue for individual customer segment in the end of 2019 and 2020.

Cooperated with a total of 17 real estate projects and more than 20 automobile showrooms, serving as a premise for the development of individual customer debit balance in 2019 and the coming years.

Deployed many Sales Festival programs for FWD Insurance products, Deposit, Debit Balance, Individual Customer Services at units throughout the system such as Hoi An, Quang Nam, Dai Loc, Dinh Tien Hoang, Hoang Quoc Viet, Da Nang, Tien Giang, Vinh Long, Lang Son, Quang Ninh, Dong Anh, Tay Ho, Thai Nguyen and Le Trong Tan ...

ENTERPRISE CUSTOMER ACTIVITIES

ABBANK was one of the first joint stock commercial banks which completed the upgrade of the electronic tax payment system to meet the new technical standards prescribed by the Ministry of Finance and the General Department of Taxation.

TARGET (BILLION VND)	MAKING IN 2018	MAKING IN 2019	% 2019 COMPARED TO 2018
Deposit	30,113	35,498	117.88%
Lending	24,150	25,331	104.89%
Total service sales (Including guarantee)	114.63	117.45	102.46%

Notes: Data including corporate bonds

LOAN

Outstanding loans of corporate customers reached VND 25,331 billion, up 4.89% compared to 2018.

DEPOSIT

Debit balance of corporate customer gained VND 35,498 billion, up by 17.88% compared to the end of 2018, equivalent to VND 5,000 billion. The percentage of average current deposit over the total deposit was maintained at about 31%.

SERVICE INCOME

Total service fee from corporate customer segment in 2019 reached VND 117.45 billion, equivalent to 102.46% compared to 2018.

Gợi dịch vụ
AB NHANH

Chuyển khoản/Rút tiền
KHÔNG GIỚI HẠN chỉ từ 730đ/ngày

Bước 1
Mở tài khoản

Bước 2
Tải ứng dụng & đăng ký với Wee@ABBANK

Bước 3
Đăng ký gói dịch vụ AB NHANH

Bước 4
Trải nghiệm công nghệ số thực qua dịch vụ nhận tiền khoản mặt

NGÂN HÀNG TMCP AN BÌNH

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ABBANK was one of the first joint stock commercial banks to complete the upgrade of the electronic tax payment system to meet the new technical standards prescribed by the Ministry of Finance and the General Department of Taxation; as well as, update the new digital certificate of the General Department of Taxation applicable to the service of domestic tax payment at counters and electronic tax payment.

In 2019, ABBANK purchased corporate bonds on the primary market, in order to expand the ability to provide capital to customers through the corporate bond segment, maintaining stability and contributing to accelerating the development of outstanding debt. For the strategic customer group, ABBANK built and piloted a chain-based sales model, fine-tuned products to support the satellite customer group, and implemented separate cash flow management services for some key strategic customers, aimed to diversify the products and services provided to customers.

For the service sector, it continued to invest, upgrade and develop technology-rich products in line with the digital banking trend, with the implementation of soft OTP security solution for Online Banking services, enhancing the security in service delivery, while limiting risks in e-banking transactions.

The service quality offered to customers was also paid much attention by ABBANK, by timely adjusting the products and its related procedures, reviewing and adjusting the Service Level Agreement (SLA), aiming to further improve the product and service quality and minimize transaction time.

Moreover, a series of business support programs were successfully launched by ABBANK to apply to the target customer group, especially those enterprises in the priority area of the State Bank as prescribed, in order to help customers access loans at competitive interest rates such as: "Financing VND with USD interest rate", the Program "Interest rate incentive - Breakthrough success",... helping enterprises to develop their business, and be offered the product/service package from ABBANK.

ABBANK

NỘP THUẾ ĐIỆN TỬ

Tiện ích:

- ▶ Nhanh chóng, thuận tiện.
- ▶ Giao dịch 24/7.

NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN AN BÌNH

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SMALL AND MEDIUM BUSINESS (SMES)

TARGET (BILLION VND)	MAKING IN 2018	MAKING IN 2019	% 2019 COMPARED TO 2018
Debt	9,826	12,425	126%
Deposit	3,681	3,735	101%
Total service fee	83.63	96.82	116%
Net interest income	297.98	349.15	117%
Volume of Customer (people)	24,565	27,400	112%

Notes: Service fee includes guarantee fee.

CHO VAY KINH DOANH
DÀNH CHO DOANH NGHIỆP NHỎ
Vay vốn nhanh – Lãi suất cạnh tranh

After more than 3 years of establishment, stabilization of business model and sales force, SMEs Division was recorded with remarkable development along with ABBANK system. Outstanding loans as of December 31, 2019 reached VND12,425 billion, increased by VND2,599 billion compared to 2018, equivalent to an increase of 26%. In addition, service fee income and net interest income achieved a growth rate of 16% - 17%, especially profit before operating expenses of SMEs segment increased by 27.8% compared to 2018.

In 2019, SMEs key product set continued to be completing and enhancing to well meet the SME demands. In particular, the secured product line with simple and flexible design by each customer group such as SME Flex, SME Open, SME Biz Loan attracted a large number of customers. Moreover, in 2019, ABBANK continued to launch more specialized credit products to SME customers such as short-term credit, medium and long-term credit for investment in fixed assets for SMEs, offer installment loan to micro-enterprises by optimizing fast processing time, shortening list of documents, especially many care and preferential policies for the "loyal" customer group regarding lending rate on collateral, margin ratio, guarantee ... With these efforts, by the end of 2019, the outstanding loan of key SMEs reached a growth rate of 270% compared to 2018, especially the credit product with collateral increased by over 340%, raising the proportion from about 8% to 22% in total outstanding loans of SMEs.

Besides, a wide range of incentive programs with competitive interest rates and simple conditions were also launched by ABBANK to help its customers successfully access to low-cost and cultivate peace of mind in production and business activities such as ABBANK Accompanying to Breakthrough, Car loan - Fair

interest rate, medium and long term interest rate incentive program.

Partnership development was also a key activity that were focused on promoting. In 2019, ABBANK continued to expand cooperation with the Department of Planning and Investment to other locations other than the provinces central cities under such as Dong Thap, Can Tho, Bac Ninh,..., always accompanied with VCCI and the Southern National Consulting and Startup Council in supporting and developing the community of start-up businesses and import-export enterprises.

With the motto focusing on human factors development, in order to improve the service quality, create ABBANKs competitive advantage in the banking and financial market, in 2018, ABBANK continued focusing on improving the professional capacity of SRM sales team by the decentralization, implementation of training programs according to the hierarchy, organization of periodic professional examinations, online and offline activities "SRM Power Club" in 3 regions of North - Central - South with 100% SRM participating under the guidance, training, motivation and experience sharing from the members of ABBANK Board of Management and experts.

BANKING TECHNOLOGY OPERATION



The IT system of ABBANK ensured safety, continuity and stability for business growth and sustainable development of the ABBANK.

R&D FOR INFORMATION TECHNOLOGY (IT) SYSTEMS AND ITS APPLICATIONS

One of the outstanding plans of banking technology development to making ABBANK become one of the leading joint - stock commercial bank in Vietnam is to focus on retail banking. One of the outstanding plans was to promote the Digital Bank Development. This aimed to enhance the customer experience and the Banks operational efficiency and risk management as well.

Accordingly, ABBANK focused on research, development and successful deployment of application software, products/services required by business units; Effective support for business development, governance, compliance, etc., and improvement of the Banks overall operating performance.

Specifically, in 2019, ABBANK successfully implemented the projects: Building infrastructure and solutions for new digital banking, LOS system for individual customers, Capital Adequacy Ratio (CAR) system, building Management Information System and Intelligent analytical tools (MPA - BI/MIS), developing an electronic office system at ABBANK, registering transactions applying digital technology at ABBANK, completing the upgrade of video conferencing system, centralizing management of camera systems.

In addition, ABBANK continued to invest in security solutions to ensure safe transactions for the Bank and customers such as completing the implementation of safety supervision and early warning of technology systems in ABBANK, assessing the security and confidentiality for all of the Banks web applications, implementing soft OTP for Mobile Banking and

Internet Banking applications, 3D secure for credit card payment in accordance with the SBVs regulations on electronic payment transactions, evaluating re-certification of data security card PCI DSS 2019, evaluating ISO27001 certification. It continued to implement the projects that meet business needs and comply with international standards, specifically: Phase 2 of the project "Service registration system using Smart Form" to serve corporate customers, development of a BI/MIS system based on Oracles standard financial data, completion of the Data Governance policy framework, Digitization of credit records and data ... Thereby, it contributed to significantly improve the operational efficiency of ABBANK, while enhancing customer experience and quality of products and services and improving ABBANKS competitiveness in the market.

In parallel, ABBANK also continuously studied, invested, and deployed IT solutions towards developing Digital Banks with solutions to improve safety and comply with industry regulations such as: business continuity planning (BCP), Data Loss Prevention and Network Access Control throughout the Bank.

OPERATION, ADMINISTRATION AND SUPPLY OF IT SERVICE

Operation, management and supervision of IT infrastructure/application was always monitored 24/24 to ensure the continuous, stable, secured and confidential operation. Security and compliance monitoring of IT policies was conducted regularly through new patch update and change management on the system. It also implemented solutions to meet the requirements of the SBV Circular and international standards such as PCI DSS, deploying solutions to enhance safety and security for ABBANK such as the system of privileged account management, centralized data backup and storage system.

Completing the application of ITIL international standard to the management and supply of IT services, enhancing the channel for receipt and support via the application for Service Delivery Platform (SDP) and gradually improving the IT service management and support quality.

Enhancing the operational capacity of the systems to meet the development needs of the Bank through rehearsal of disaster recovery plan (DRP) twice a year, with key systems at the principal data center and backup data center; update and issuance of policies and procedures in compliance with the circulars and regulations of the SBV.

ORGANIZATION AND HUMAN RESOURCES

BOARD OF MANAGEMENT



MR. PHAM DUY HIEU
ACTING GENERAL MANAGER
Born in 1978

- › Bachelor in Finance and Banking.
- › Bachelor in Foreign Languages.
- › Master in Financial Economics.

With a high professional qualification, Mr. Pham Duy Hieu has over 19 years of experience in the Finance - Banking industry. He has held key management positions at: Vietcombank, VietABank, ABBANK, Vincom Securities Company, VNDirect Securities Company, fund management companies like Sabeco Fund and IPA Investment. He also was senior manager at others organizations, such as: Vietnam Enterprise Science and Technology Foundation (SVF); TransformedU Joint Stock Company; I.value Joint Stock Company; Geleximco Group, etc.

Mr. Hieu undertook the position of ABBANK General Director from July 11, 2013 to May 4, 2015, with high reputation for ABBANK staff and thoroughly master ABBANK culture. Currently, Mr. Hieu is in charge of ABBANKs Acting General Manager since October 18, 2018.



MR. NGUYEN MANH QUAN
DEPUTY GENERAL DIRECTOR

Born in 1973

- › Bachelor of Finance and Accounting.
- › Bachelor of Foreign Language.
- › Master of Business Administration.

Mr. Nguyen Manh Quan has more than 25 years of experience in the banking industry; He had taken key positions at VID Public Bank; CitiBank; HSBC, SeAbank, HDBank, and MDBank; He has been assigned to be the Deputy General Director of ABBANK since June 2015. Mr. Nguyen Manh Quan was assigned the duties and rights of ABBANKs CEO from January 12, 2018 to May 4, 2018.



MS. PHAM THI HIEN
DEPUTY GENERAL DIRECTOR

Born in 1973

- › Bachelor of Credit.
- › Master of Economics of Banking and Finance.

Mrs. Pham Thi Hien has 26 years of experience in Banking and Finance industry, including at Vietcombank, HSBC Vietnam. Mrs. Pham Thi Hien was appointed Deputy General Director of ABBANK from 10th March 2011 and appointed Director of Risk Management Division at ABBANK from 07th April 2018.



MRS. NGUYEN THI HUONG
DEPUTY GENERAL DIRECTOR
Born in 1973

- > Bachelor of Business in Commerce.
- > Master of Development Economics.

Mrs. Nguyen Thi Huong has more than 25 years of experience in banking and finance industry, including 13 years working at the State Bank of Vietnam and 12 years working at ABBANK. She has been assigned as Deputy General Director of ABBANK since January, 2016.



MR. DO LAM DIEN
DEPUTY GENERAL DIRECTOR
Born in 1973

- > Bachelor of Finance and Credit.
- > Bachelor of English Linguistics and Literature.
- > Master of Financial Economics.

Mr. Do Lam Dien has more than 24 years of experience in banking and finance. He has held key positions at banks such as Techcombank, Vietcombank, ACB, MSB, SHB. From 8th August 2017, he was appointed Deputy General Director of ABBANK.



MR. LAI TAT HA
DEPUTY GENERAL DIRECTOR
Born in 1978

- > Master of Finance.

Mr. Lai Tat Ha has more than 14 years of experience in banking. He has held key positions at banks such as SeABank, Techcombank. He joined ABBANK from 04th July 2019 and he was appointed Deputy General Director of ABBANK from 08th October 2019.



MR. LE MANH HUNG
BOARD OF MANAGEMENT
MEMBER

Born in 1979

› Bachelor of Economics
- Major in business
administration.

Mr. Le Manh Hung has more than 18 years of experience in banking & finance. On 9th August 2017, Mr. Hung was appointed as a Board of Management member and Director of corporate banking division at ABBANK.



MR. TRAN VIET THANG
BOARD OF MANAGEMENT
MEMBER

Born in 1967

› Master of Microelectronics.

Mr. Tran Viet Thang has over 28 years of experience in Information Technology and many years of management positions. From March 2, 2018, Mr. Thang was recruited and appointed as a Member of the Board of Management and Director of ABBANK Banking Technology Division.



MR. NGUYEN HONG QUANG
BOARD OF MANAGEMENT
MEMBER

Born in 1977

› Bachelor of Business
Administration.

Mr. Nguyen Hong Quang has more than 21 years of experience in banking and finance industry, including 18 years working at ABBANK. He has been assigned as Member of the Board of Management and Director of SMEs Division of ABBANK since 20th April 2019.

THE LIST OF BOM, CHIEF ACCOUNTANT AND ABBANK OWNERSHIP PERCENTAGE (UP TO DATE 31/12/2019)

NGUYEN THI HUONG

Position: Deputy General Director

24,336 shares, accounting for 0.00%.

NGUYEN HONG QUANG

Position: Member of the Board of Management

16,815 shares, accounting for 0.00%.

BUI QUOC VIET

Position: Chief Accountant

40,268 shares, accounting for 0.01%.

COMMITTEES/COUNCIL UNDER CONTROL OF BOARD OF MANAGEMENT

- › **Asset - Liability Committee (ALCO):** Formed to assist the Board of Directors in management of liquidity and market risks. ALCO takes the major charge of development, implementation and review of regulations, strategies and policies in respect of management of balance sheets, capital management, liquidity risk management of the Bank.
- › **Executive Risk Committee (ERC):** Appointed to supervise risk levels, check all risk-related matters, except for market and liquidity risks; Submit to RMC for solution and making decisions on matters beyond the authority of ERC.
- › **Investment Committee (IC):** Formed to improve the professionalism and diligence in investment; Enhance effective supervision and quality of investment projects; To ensure the supervision policy, risk management in investment operations.
- › **Credit Committee (CC):** Formed to ensure credit quality throughout the ABBANK system in a safe and efficient manner.
- › **Data Governance Committee (DGC):** Formed to guide and closely supervise, play the utmost importance to the data management in ABBANK system.
- › **Capital Management Committee (CMC):** Formed to supervise internal assessment activities on the adequacy of capital at ABBANK in accordance with the regulations of the SBV and the internal regulations of ABBANK.



RECRUITMENT AND PERSONNEL MANAGEMENT

HR and Staff management is the key to effective human resources reorganization.

In 2019, recruitment has met the demand for human resources of ABBANK, especially for the business units and the key departments of Head Office.

ABBANK regularly organized brand image promotion and recruitment programs to create young and potential human resources such as: Participate in the Career Days; coordinate with the Human Resource Club of Foreign Trade University (Hanoi) to organize "Vietnam online career fair - VOCF" at Universities; coordinate with Vietnam Bankers Training Academy (Vietnam Bankers) to organize the program "Bank Visits" at ABBANKs business

units; Internship program "Talented nursery ABBANK" in early 2019... In these programs, many candidates were potential students who have been selected to join An Binh House.

In addition, in 2019, ABBANK has attracted the senior and experienced talents for the key management positions, improving ABBANKs high quality human resource (priority is given to the segments of Business development and Credit approval specialists) to supplement the high quality personnel resource of ABBANK.

Regarding HR management and recruitment, ABBANK focused on recruiting the right people, assigning to the right positions and meeting the business objectives.

Accordingly, Service-Level Agreement (SLAs) of the Human Resource Management Division is the guarantee of a comprehensive human resource service to meet the requirements of human resource service in general and of recruitment and staffing in particular.

In 2019, ABBANK reviewed the functions of the Head Quarter departments, to carry out the project "Improving organizational and operational efficiency of ABBANK". Accordingly, staff management is key to re-organize the workforces effectively.



NUMBER OF EMPLOYEES AS AT 31ST DECEMBER 2019: 3,969 PEOPLE.

Of whom:

- › Post-Graduate degree: **4.1%**.
- › Under-Graduate degree and equivalent: **80.7%**.

EMPLOYMENT RELATIONSHIPS

ABBANK always attaches great importance to the friendly, efficient, transparent and highly responsible working environment for all employees to offer the best services to the highest satisfaction of the customers.

The core values committed by the Banks Board of Management are the foundation for the sustainable development of ABBANK, including:

Result-driven.

Responsible.

Innovative with added value.

Friendly - Empathetic.

Spirit of service.

In 2019, ABBANKs human resources development was oriented towards the spirit of cohesion, encouragement and rewarding, contributing to promoting the capacity of each ABBANKer to successfully facilitating ABBANK development. A wide range of various programs was initiated throughout the system to offer ABBANKers with the core values and cultural traditions of ABBANK, especially the "Thinking change for success" program series implemented in the whole system that has helped ABBANKers evoke business spirit, reinforcing employees beliefs in An Binh Common House.

At ABBANK, each staff has the opportunity to experience the work suitable with their professional capacity, is encouraged contributing

their initiatives to improve the quality and efficiency at ABBANK and promote ABBANK business activities ... through the programs such as The Almighty Teller, Mobile Directors; ABBANKers of the Year Award, Outstanding Managers/Staff...

In addition, the Bank has also paid attention to professional standards. Efforts and achievements of employees are timely recognized and rewarded through adjustment of the employee performance evaluation system to identify important roles and responsibilities of staffs at various levels, creating a streamlined and consistent workflow for internal collaboration and coordination, linking all staffs to the system in order to ensure high productivity.

ABBANK aims to improve the quality of human resource services through the following activities: Creating Simple and easy mechanism for accessing human services; Application of information technology in human resource management; Improving the quality of the team of professional personnel, training and improving the personnel management capacity of management levels. The human resource service tools available at ABBANK have been increasingly improved and perfected towards HR services such as: developing new HR Software, E-HR voucher system to facilitate employees to access human resource services more easily, the connection between leaders and employees at ABBANK also become more open and multi-dimensional.



TRAINING AND HUMAN RESOURCE DEVELOPMENT

ABBANK strives to pursue the goal of developing the learning community at ABBANK, continuously improving and developing new forms, content and specific implementation programs.

Human resource training and development is one of ABBANK's strategic priorities to satisfy the Bank's development with a retail-oriented strategy. The key training targets of focus at the Bank include: to develop leadership capacity, standardize staff, build up contingent teams, and improve sales and business management capabilities.

Besides, improving the HR quality in terms of expertise and skills is a key task in the HR development of ABBANK. In the roadmap to develop a study community in ABBANK, ABBANK has organized more than 605 courses for more than 16,326 ABBANKers in 2019; focus on training and developing leader teams, professional training and soft skills. ABBANKers have the opportunity to easily access a wide variety of training programs, actively support for their self-study and personal career development.



Training programs aim to standardize and improve the capacity of the staff, which prepares managers for adaptation to change. Specifically, a number of activities, programs and projects in 2019 have been implemented:

- › Organize nearly 605 training courses such as classroom training, E-Learning, professional activities, mentoring and coaching.
- › Issued the decision of CEO about training targets applied to all employees in 2019.
- › Issued the decision of CEO about plans to implement training detailed programs in 2019, especially training to improve service quality, enhance the capacity of the leader team of business units and customer service throughout the system.
- › Programs for Leaders - Managers, ABBANK Talents and next groups:
 - Complete training & graduation report for Directors of business units of Level 3 - 4 with basic business unit management skills program.
 - Completed training and graduation recognition for the next Director class to serve the inheritance management team at business units.
 - Implement Study tour program - Heritage discovery journey for ABBANK Talents members. Currently, the program continued with the mission of members to complete the business plan for ABBANKs branches.
- › Along with the implementation of title training programs, professional knowledge competitions/tests being periodically held for Credit Operation and document regulation, supervisor/teller groups.
- › Training in the second quarter has also been accompanied by the Banks progress of key projects: Retraining 6C for the whole system, initial training with the LOS project.
- › Successfully organize 03 credit operation competitions - passion explosion (for supervisors/tellers) and Contest for firm knowledge - Brightening the future for customer service; SMEs customer service.
- › Implement the graduation report of the program "Basic Business Unit Management Skill"
- › Issue the decision on the personal responsibility of employees in training.
- › Complete the 2019 SME title training program.

ABBANK also focuses on promoting corporate values and culture through regular training programs and activities outside the Bank. All new employees of ABBANK are trained, including introduction of corporate culture values and policies of the Bank. Existing employees are provided regular and intensive courses to improve simultaneously professional skills and soft skills. ABBANK always strives to ensure employees have a variety of internal communication channels to communicate and feedback information, such as periodic seminars with Management Teams, online forums, etc.



INVESTMENT AND IMPLEMENTATION OF PROJECTS



In 2019, ABBANK ranked fifth in market share of government bond trading volume (up 5 levels compared to 2018)

SALES OF OVER

107,478 billion VND

ACCOUNTING PROFIT

570 billion VND

PLAN

243.5% of the 2019 plan

BIG INVESTMENTS

In 2019, ABBANK continued to actively review and re-evaluate the entire efficiency of its investment portfolio. With the guideline of safe, prudent and effective investment, ABBANK continuously sought opportunities and offered many divestments for investments in enterprises that are difficult to control and ineffective.

At the moment, the biggest investment of ABBANK is VND 260 billion - the capital contribution to its Subsidiaries with the annual profit sharing of 10-15%/year.

In the Government Bond market, in 2019, ABBANK continued to be a big trader - ranked fifth in terms of total trading market share (up 5 ranks compared to 2018) - according to Hanoi Stock Exchange statistics, with a revenue of more than VND 107,478 billion, accounting profit of VND 570 billion, fulfilling 243.5% of the 2019 plan.

FINANCIAL OPERATION AND POSITION OF SUBSIDIARIES AND ASSOCIATED COMPANIES

ABBANK Asset Management One Member Company Limited (ABBA): A subsidiary 100% owned by ABBANK. ABBA's main activities are to receive and manage bad debts, outstanding debts and loan security assets related to ABBANK's debts, etc.

Profit before tax in 2019 of ABBA reached 64.3 billion VND, up nearly VND 5 billion compared to 2018. Profit after tax in 2019 reached 51.8 billion VND, up more than VND 14 billion compared to the results in 2018.

FINANCIAL POSITION



Billion VND, %

SEPARATE	AUDITED		
TARGET	2019	2018	% CHANGE
Total value of assets	102,487	90,237	14%
Revenue	8,245	6,855	20%
Taxes and amounts payable	106	75	41%
Profit before tax	1,229	901	36%
Profit after tax	969	710	36%
TARGET			REMARK
Capital size			
Charter capital	5,713	5,319	
Total assets	102,487	90,237	
Capital adequacy ratio	10.5%	12.1%	Under Circular 19
Liquidity			
Liquidity reserve ratio	25.8%	21.3%	Under Circular 19

Billion VND, %

TARGET	AUDITED		
TARGET	2019	2018	% CHANGE
Total value of assets	102,557	89,998	14%
Revenue	8,296	6,904	20%
Taxes and amounts payable	113	79	43%
Profit before tax	1,274	928	37%
Profit after tax	1,001	715	40%
TARGET			REMARK
Capital size			
Charter capital	5,713	5,319	
Total assets	102,557	89,998	
Capital adequacy ratio	11.1%	12.8%	Under Circular 19
Liquidity			
Liquidity reserve ratio	25.8%	21.3%	Separate number

SHAREHOLDER STRUCTURE, OWNERS EQUITY CHANGE

TOTAL SHARES	CLASSES OF SHARES	NUMBER OF FREELY ASSIGNED SHARES	NUMBER OF RESTRICTED SHARES
571,311,355	Ordinary share	318,861,076	252,450,279



LIST OF SHAREHOLDERS WITH TRANSFER-RESTRICTED SHARES

NO.	SHAREHOLDER NAME	TOTAL OWNED SHARES	NUMBER OF RESTRICTED SHARES
1	Geleximco Group - Joint Stock Company	74,222,415	74,222,415
2	Malayan Banking Berhad (Maybank)	114,265,019	114,265,019
3	International Finance Corporation (IFC)	57,155,477	57,155,477
4	Board of Directors	6,779,733	6,779,733
5	Supervisory board	27,635	27,635
6	General Director	0	0
	TOTAL	252,450,279	252,450,279

SHAREHOLDER STRUCTURE (UP TO DATE 31/12/2019)

NO.	SHAREHOLDER NAME	TOTAL OWNED SHARES	OWNERSHIP PERCENTAGE	NUMBER OF SHAREHOLDER
I	Domestic shareholders	399,890,859	70%	5,244
1	Geleximco Group - Joint Stock Company	74,222,415	12.99%	1
2	Other shareholders being organizations	42,597,056	7.46%	27
3	Shareholders being individuals	283,071,388	49.55%	5,216
II	Foreign shareholders	171,420,496	30%	2
1	Malayan Banking Berhad (Maybank)	114,265,019	20%	1
2	International Finance Corporation (IFC)	57,155,477	10%	1
	TOTAL	571,311,355	100%	5,246

- > Domestic individual shareholders: 5,216 49.55%
- > Domestic legal entity shareholders: 28 20.45%
- > Foreign legal entity shareholders: 2 30%

REPORT ON ENVIRONMENTAL AND SOCIAL IMPACTS OF THE BANK

Environmental and Social Management System (ESMS) for the international credit granting operations under the guidance of the International Finance Corporation (IFC) was implemented by ABBANK.

The regulation on Environmental and Social Management System is a good foundation for ABBANK to effectively manage the environmental and social issues of the funded projects. It is a practical action of ABBANK in compliance with Directive 03/CT-NHNN dated March 24, 2015 of the SBV on promoting green credit growth and managing social and environmental risks in credit extension. It also shows the commitment and corporate social responsibility of ABBANK to direct the economy towards the green growth and sustainable development.

The regulation on social and environmental risk management applied by ABBANK include the risks assessment process, decision making and the risks monitoring process, covering the National Legal Constraints and IFCs Environmental and Social Performance Standards.

Regarding operation, ESMS Regulation are integrated into the applicable credit process and priority is given to the non-Exclusion List projects and activities. At the same time, ABBANK is conducting environmental-social risk classification, determining the high, medium and low risk level of loan applications to decide the type of appropriate risk assessment and management.

In addition, ABBANK also established a task force to assess social and environmental risks to better assess and manage the environmental and social risks of the projects, avoiding projects with negative impacts on the environment.

The environmental-social risk monitoring program for credit extensions will be periodically implemented as regulated to ensure that the risks are acceptable within the loan term and necessary remedy actions shall be initiated by the borrowers to avoid, minimize or eliminate negative environmental-social impacts or maximize opportunities for improving environmental-social risks that may arise from project activities.

ABBANK Green



In 2019, ABBANK launched the internal award system ABBANK's Choice Awards, in which the award category focused on deploying and communicating widely to all employees and units across the system is ABBANK Green campaign.

Launched in May 2019, after more than 7 months, the campaign has attracted a large number of employees to participate and spread messages, green lifestyles to relatives and customers, especially extra-curricular activities such as: Used batteries collection, Garbage collection at Ho Guom walking street, or Green Living with children campaign for children of ABBANK employees. Particularly, the garbage collection has been spread by ABBANK Nam Thang Long, organized weekly in adjacent apartments in the area, bringing a positive impact on the construction of corporate culture, contributing to affirm the brand reputation of ABBANK in the hearts of employees and customers.

EMPLOYEE POLICIES

In addition to fully complying with State labor regulations, the great efforts have been being made to successfully develop better remuneration policies for employees by ABBANK. The annual ABBANK care program has always been expected by ABBANKers, showing the special benefit policy of ABBANK for ABBANKers by continuously developing and expanding the benefits for employees over the years.

In 2019, ABBANK implemented the decentralization of teller forces, following the successful decentralization of business task forces, with the principle of proper income payment in line with personal contributions and capabilities to promote, encourage and acknowledge the contribution of each individual to ABBANKs business.



REPORTS ON SOCIAL RESPONSIBILITY

Totally, more than VND71 billion was invested by ABBANK for social security activities in the past 11 years, especially education sector.

Along with its stable and efficient business operation, ABBANK highly focused on development of charity activities, social welfare programs/projects to share and propagate responsibility sharing with the community and society. In 2019, education sector continued to be prioritized by ABBANK to approve of the study promotion programs aimed at children in difficult circumstances but always striving to rise in life, pursue their dreams of going to school.

In 2019, ABBANK continued participating and became a "Great Leaf", accompanying the program "Loving Leaves" organized by VTV24 News Center in the journey "giving the opportunity to go to school, giving the opportunity to change life". On this journey, ABBANK brought "torn leaves" across the country with scholarships with a total cost of up to VND 1.2 billion.

Since May 2019, ABBANK has cooperated with the NGO Room to Read to implement the Friendly Library Program for 14 primary schools in Lam Dong province and 10 primary schools in Hai Phong City. Accordingly, nearly 110,000 books and educational items have been offered by ABBANK to more than 20,000 students, along with training programs on standard operation of a friendly library for teachers.

On November 20th, 2019, ABBANK cooperated with Dan Tri Newspaper to hold the inauguration ceremony and hand over the meaningful gift of new classrooms and kitchen to the school with teachers and students of Nam Ban Secondary Semi-Boarding Ethnic Minority School, Nam Nhun district, Lai Chau province with a budget of VND 500 million.

Not only devoted to education projects, with the motto always towards happiness and respect for family values, in 2019, ABBANK continued to organize ABBANK Family Day with the theme "Message from the Youth". The festival attracted nearly 10,000 attendees from the capital and surrounding areas. This was not only a space for recreation but also increased the connection among family members and among families in the community.

For many years of operation, ABBANK has always been interested in supporting and encouraging the talents of the country in many fields. The year 2019 marked the 12 consecutive years of ABBANKs accompany with Vietnam Talent Award organized by Dan Tri Newspaper, and was the first year that ABBANK accompanied the Contest "Vietnam International Music for Violin and Chamber Concert 2019" in early August 2019 as a close sponsor to find and wing young classical music talents.

In addition to the typical social security programs that are widely deployed throughout the system, many ABBANK units in the provinces/cities are

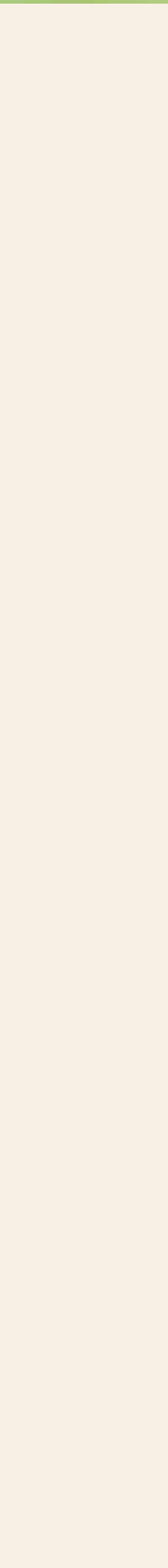
always actively and proactively organizing and participating in social security activities in the area.

Within 11 years from 2008 to the end of 2019, nearly VND71 billion was spent on the social security activities. The social security activities of ABBANK are gradually going towards in-depth direction, bringing positive effects and lasting effects. In addition, ABBANK is also working with other businesses and organizations to create a strong ecosystem, towards sustainable development for the whole society.

REPORTS ON GREEN CAPITAL MARKET OPERATION AS GUIDED BY THE STATE SECURITY COMMISSION

ABBANK recognized the significance and the huge benefits of green credit, such as reducing bad debts, strengthening financial stability and protecting market reputation of the Bank. The green credit programs and policies are recently developed to gradually increase the proportion of green credit in the structure of ABBANK credit portfolio as well as expanding new business opportunities.

Furthermore, ABBANK will coordinate with domestic and foreign organizations and agencies to implement and evaluate the implementation of social security risk management in credit granting activities, develop solutions to promote green credit, support businesses to implement green growth.



BOARD OF MANAGEMENTS REPORTS AND ASSESSMENT

03



EVALUATION OF BUSINESS RESULTS

ABBANKS PRE-TAX PROFIT REACHED

1,229 BILLION VND

REACHING OF THE TARGET

101%

IMPRESSIVE GROWTH COMPARED TO
2018

36%

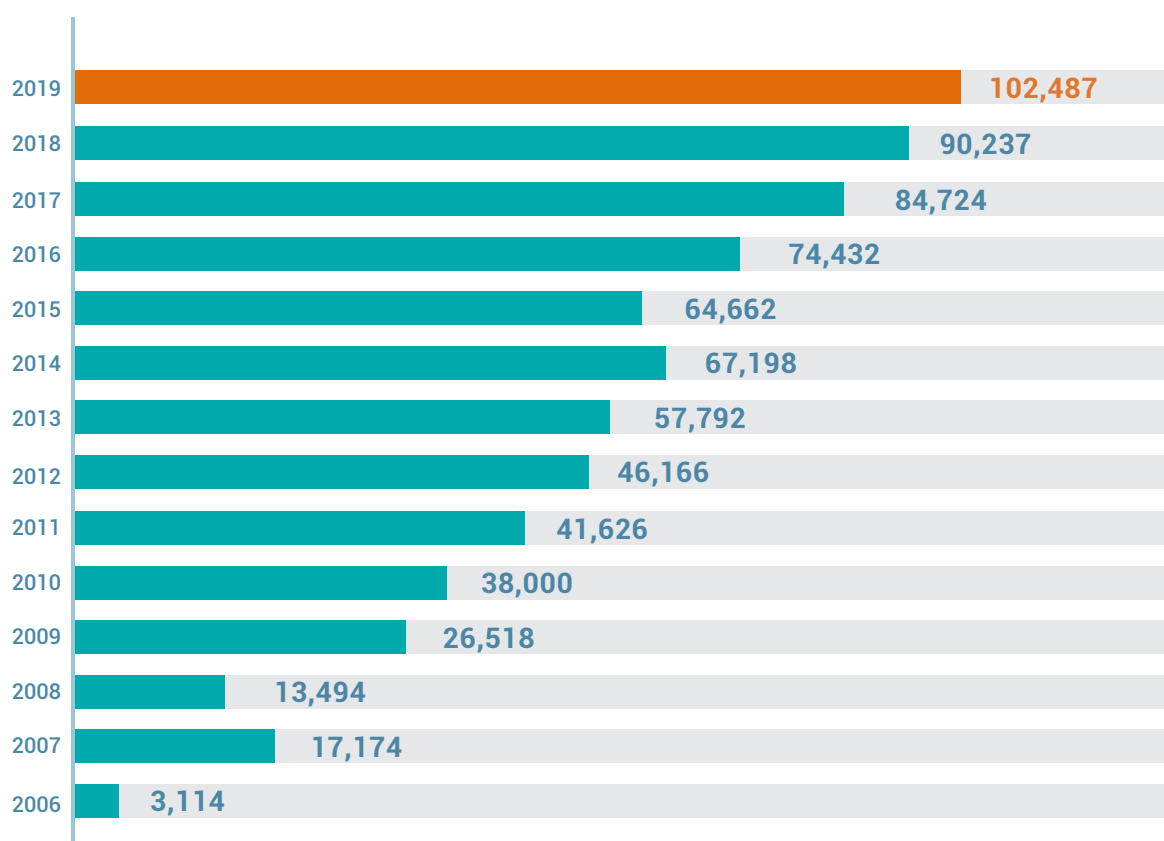
Focusing on the retail banking sector, ABBANK achieved outstanding results in 2019 owing to its right solutions and business strategies:

- › At the end of 2019, the total outstanding loans to corporate and individual customers reached VND 63,028 billion, fulfilling 100% of the 2019 plan and up 10% compared to 2018. Deposits from corporate and individual customers reached 91% of the whole 2019 target of VND 74,786 billion, up 16% compared to 2018.
- › Total income in 2019 reached VND 3,618.3 billion, up 25% compared to the performance in 2018.
- › Operating expenses were strictly managed at VND 1,895.3 billion, lower than the planned cost.
- › At the end of 2019, ABBANK's pre-tax profit reached VND 1,229 billion, fulfilling 101% of the plan and grew 36% compared to 2018.
- › The credit rating of ABBANK remained at B1, without changing compared to the credit rating in 2018, ABBANK's outlook remains stable.

TOTAL ASSETS

The total assets as of December 31st, 2019 was VND 102,487 billion, increased VND 12,249 billion (equivalent to 14%) compared to year end 2018 and fulfilling 97% of the plan 2019. The growth of total assets was mainly originated from expansion of customer loans accounting for over 56% of the total assets of the Bank. Along with the scale expansion, ABBANK's asset quality was always ensured with the capital adequacy ratio (CAR) maintained over 9% in accordance with the State Bank of Vietnam at 10.5%.

TOTAL ASSETS

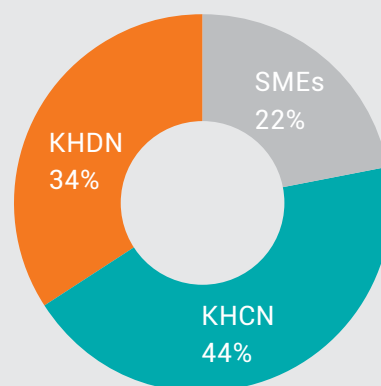


Notes: Data from the audited separate financial statements

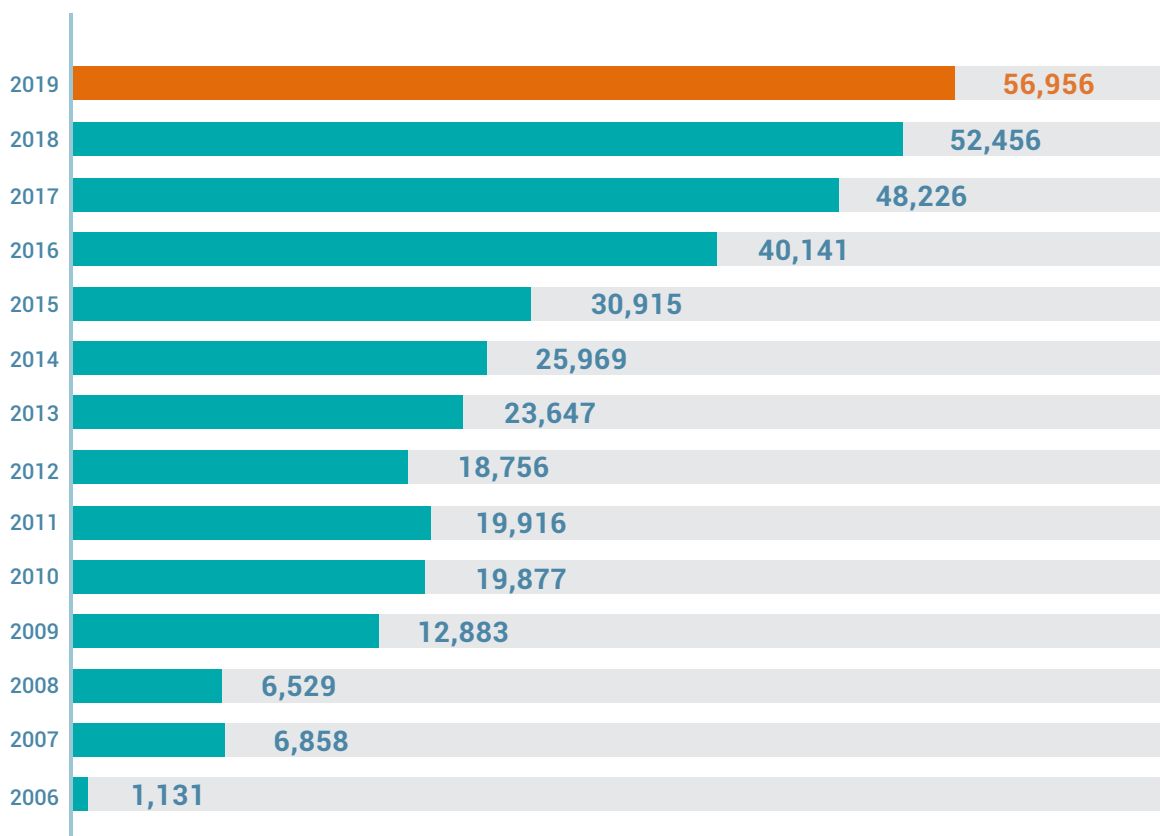
CUSTOMER LOANS

Focusing on the retail orientation, ABBANKs credit operations were flexible and supported with a series of incentive policies and programs for customers in the past time. As a result, as of December 31, 2019, total customer loans reached VND56,956 billion, up 9% compared to the end of 2018 and fulfilling 93% of the plan 2019. In particular, consumer loans achieved a growth rate of 12% and brought consumer outstanding loans to over VND25,000 billion. SME loans hit a growth rate of 26%. In general, the retail segment was recorded with increase in proportion of nearly 66% of total outstanding loans to the bank customers in 2019, up 4% compared to 2018.

CUSTOMER LOAN STRUCTURE CHART



CUSTOMER LOANS



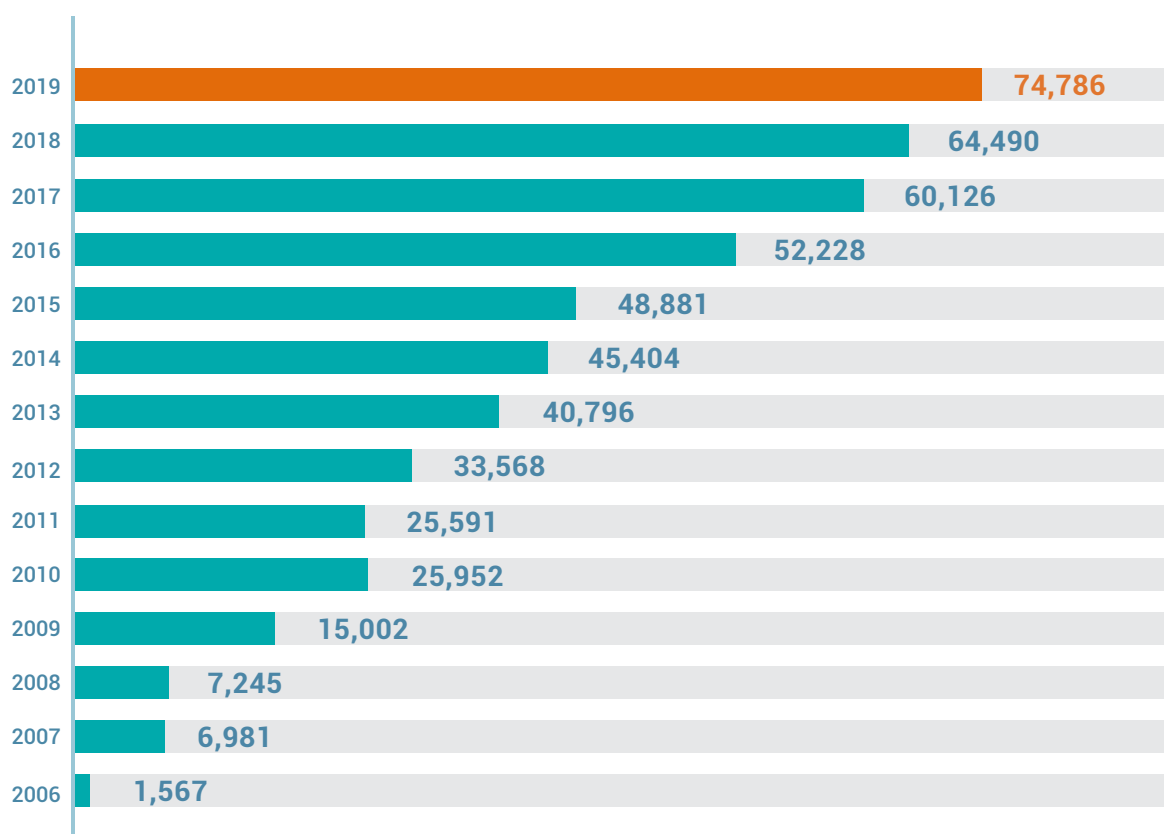
Notes: Data from the audited separate financial statements

DEPOSIT FROM CUSTOMERS

The bank deposit maintained the upward trend in 2019 with a balance of VND74,786 billion, increased 17% compared with the end of 2018. At the same time, mobilization was continued to play a key role in the capital structure of the Bank, maintained the proportion of 73%, up more than 1% compared with the end of 2018. Taking advantage of traditional sales channels and developing new sales channels combining interest rate and sales policies suitable to each stage helped to uplift capital mobilization.

Particularly, With other segments, capital mobilization from individual customers and SMEs are also focused on expanding with a high proportion in the mobilization structure from customers, with 53% at the end of 2019, showing that the shift to retail is quite similar to credit operations.

DEPOSIT FROM CUSTOMERS

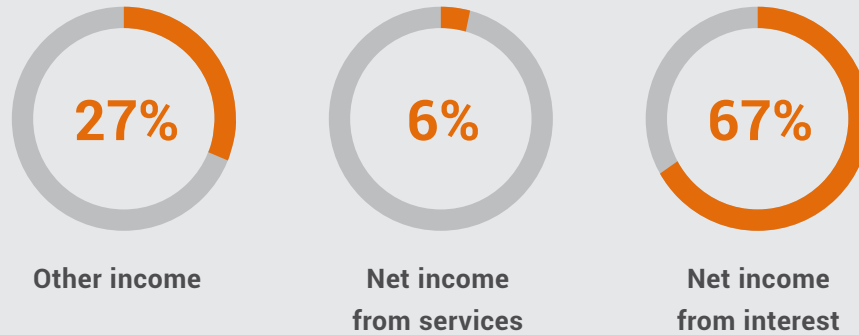


Note: Data from the audited separate financial statements.

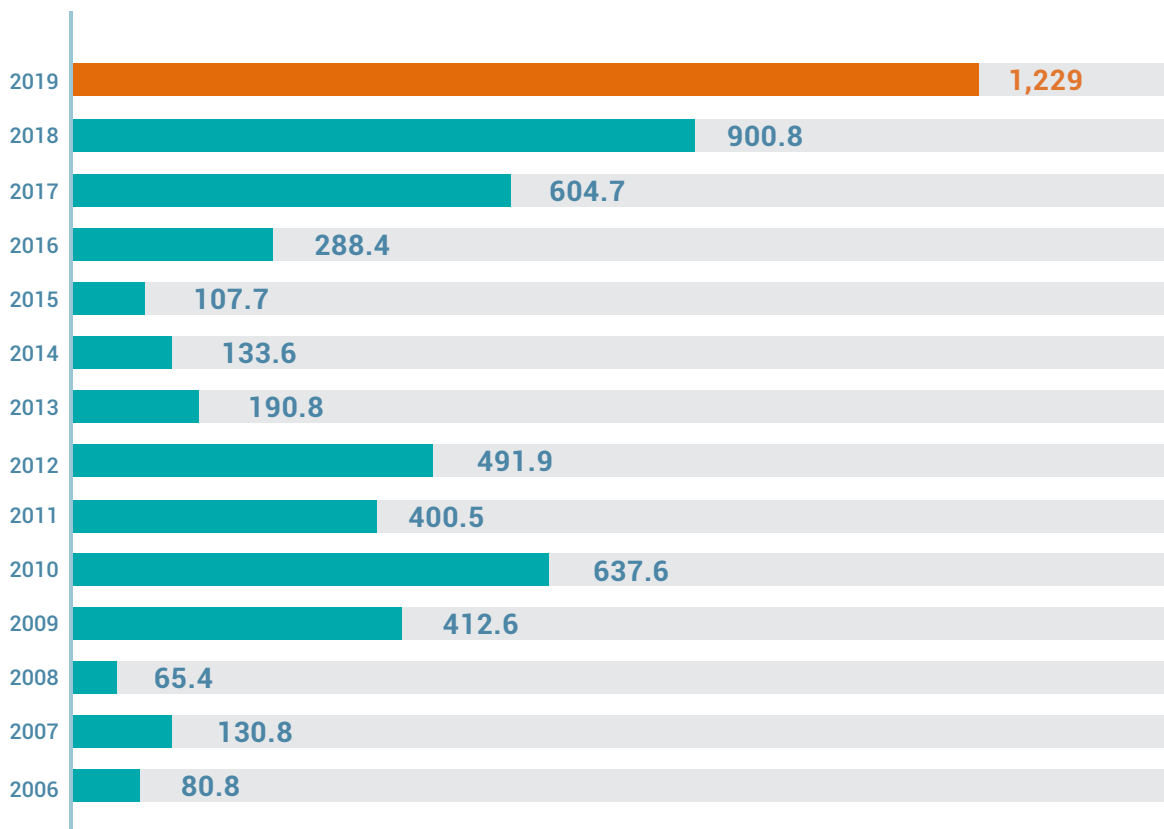
PROFIT BEFORE TAX

At the end of 2019, the Banks profit before tax reached VND 1,229 billion, increased VND 328.2 billion, equivalent to a 26% compared with 2018 result and fulfilled 101% of the plan. This positive growth is originated from the increased operating income combined with efficiency cost controlling measures.

INCOME STRUCTURE



PROFIT BEFORE TAX



Note: Data from the audited separate financial statements.

FINANCIAL SITUATION

ASSETS

The total assets by end of 2019 amounted to VND 102,487 billion, an upturn of VND 12,249 billion, which equated to a 14% growth rate of the end of 2018 due to total mobilization increased of VND 10,944 billion, correspondingly loans to two markets increased VND 10,220 billion. Of which, individual customer and economic organizations deposits showed good growth (upturn of VND 10,296 billion, which equated to a 16% growth rate of 2018), creating the capital sources to boost the credit segment. This shows the flexibility in using capital, bringing more efficiency, creating a great profit for the Bank.

LIABILITIES

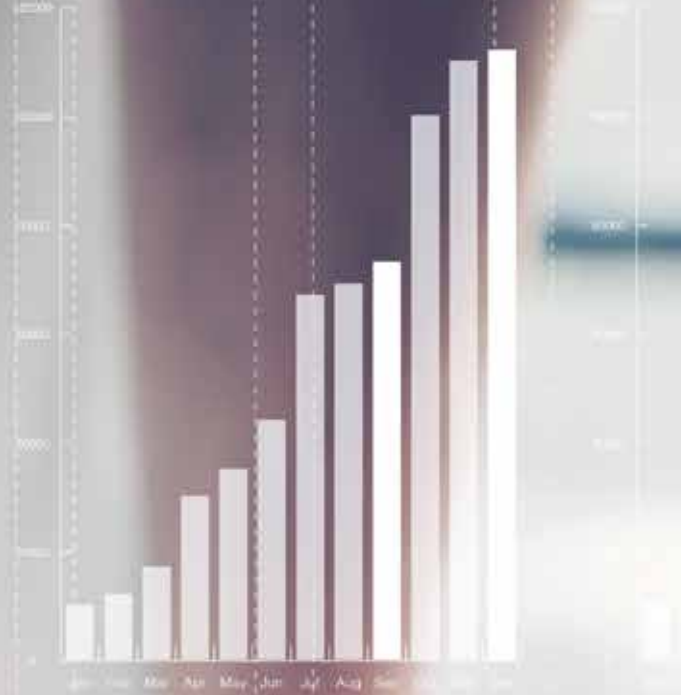
ABBANK actively raised deposits and borrowings from credit institutions to satisfy the capital demand. However, the capital structure is still complied with the SBVs orientation. The increase of capital mobilized from the interbanking market aims to increase the working capital, facilitate the purpose of using short-term capital, creating the capital turnover and higher profits for the Bank. Particularly in 2019, ABBANK enhanced the bond business, financing both of two markets which helped increase in the interest earnings and other incomes.

IMPROVEMENTS IN ORGANIZATION STRUCTURE, POLICIES, MANAGEMENT

Oriented to the centralized management, improving service quality and improving operational processes.

In 2019, ABBANK actively developed and applied technologies in most of human resource management activities, human resource evaluation system, online training, etc. in order to improve efficiency and reduce cost for human activities. At the same time, human resource management policies such as recruitment, salaries and benefits, emulation and awarding, work management, labour discipline, training and development were also gradually improved, systemized and closely linked with business activities in order to improve management capacity.

ABBANK continued to implement the centralized management direction, aiming at improving service quality and operational process. Consequently, the organizational structure of business units was gradually improved, focusing on business activities, streamlining operational activities, ensuring transparency and professionalism during operation.



25%

24%



EVALUATION ON THE ENVIRONMENTAL INDICATORS

Along with the credit loan policy oriented toward projects or businesses investing in renewable energy, clean energy, low-carbon production and consumption sectors, saving natural resources to facilitate the environmental protection, improve resource and energy use efficiency, ABBANK always strives to green the banks operating and controlling activities to minimize environmental impacts by strictly controlling operating costs and effective use of available resources.

Specifically, ABBANKs green internal activities have been focused on using energy saving devices such as lighting systems, air conditioners, printers, paper, water and green space. Particularly, the program of launching and propagating the implementation of “Zero Waste Green Lifestyle” with the rule of 5Rs (Refuse - Reduce - Reuse - Recycle - ROT) to build a healthy lifestyle that contributes to nature protection, environmental protection and above all human health protection.

ABBANK actively built and launched activities for Green Environment to raise the awareness of all the Bank employees as well as Shareholders/Partners and Customers on the task of environmental protection, gradually changing behaviors adversely affecting the environment, consciously rational and economical use of resources, protecting and improving the environment, building a civilized and environmentally friendly civilized lifestyle for sustainable development, social equity and progress.

“Zero Waste
Green Lifestyle”

EMPLOYEE APPRAISAL

ABBANK constantly to make some reforms in the salary policy, especially the direct salemen teams and business units; Issuance of career roadmaps for key positions and support in designing personal profession plans, succession profiles for key positions were devised and issued to prepare for the succession resources in a timely manner, meeting the demand for development.

ABBANK frequently held new employee training programs, both staffs and managers in skills, cultural values of ABBANK and soft skills, management-leadership skills, etc. To build a fairer and more transparent employee appraisal system, ABBANK implements the modern Balanced Scorecard approach, adjustment and standardization of the performance indicators to make employee appraisal consistent. The system of performance appraisal indicators has been produced and applied from the highest management to each employee. It was the basis for evaluation of the performance level and productivity of each individual.





EVALUATION ON COMMUNITY RESPONSIBILITY

Along with boosting business, ABBANKs reputation has been also increased through community activities, making contribution to realization of the socialization guide line in development of the country. Community activities and social welfare programs have been regularly implemented by ABBANK, ranging from education with construction of electrical facilities - roads - schools - stations to health, environment, support to poor people and handicapp ed. These activities have resulted in positive effects, making contribution to improvement of living standards of the people and socioeconomic development, increasing confidence of the people and local authorities in ABBANK.

In the future, ABBANK will continue to stick to its development orientation as a friendly retail bank, family bank - always accompanying each customer experience, "being friendly" to customers in each product and service, "being friendly" with the society through social activities. This is one of the important strengths in competition, making contribution to long-term and sustainable development of ABBANK.

FUTURE DEVELOPMENT PLAN

DEVELOPING A MODERN BANK WITH DIGITAL TECHNOLOGY AND PLATFORMS.

ABBANK is always persevered with the sustainable development goal led by action strategies to 2020. Specifically, according to the medium-term plan to 2025, the action programs still focus on the retail segments (consumer banking and SMEs), consolidating and maintaining the sustainable development of enterprise, efficiently exploiting customer ecosystem from enterprise customers by well controlling asset quality, adhering to the risk policies and offering a reliable background for the Banks business development. At the same time, the available resources are utilized and maximized to diversify products and services and improve the operating scale and network.

The strategic goals implemented by ABBANK aim to develop with a unique brand, identity for the benefits of its customers, its shareholders and a reasonable remuneration regime for its employees.



Some sustainable development goals of ABBANK in the next period:

- Top 10 Leading Bank Brands in Vietnam;
- Top 10 on ROE among private joint stock commercial banks (with a higher rate of profitability/owner equity than industry average);
- Retail income (including consumer banking and SMEs) accounts for at least 70% of total income, and revenue from services (including guarantee fees) accounts for at least 20% of total income;
- Advanced corporate governance and risk management;
- Outstanding digital technology platform.



THE KEY PLANS OF 2020:

- › Focusing resources for Retail Banking.
- › Increasing the proportion of service income in the income structure, including income from traditional banking services and other services such as property valuation, insurance consulting and cooperation.
- › Achieving Top 10 ROE goals: Improve operational efficiency, maximize profitability and control cost to increase ROE indicator to reach the top 10 commercial joint stock banks.
- › Building a friendly and professional working culture in parallel with modern corporate governance in accordance with international standards.
- › Maintaining and improving the credit rating of ABBANK.
- › Enhancing ABBANK's brand identity in the market: ABBANK continued to promote its brand to become the leading commercial bank in Vietnam focusing on the retail sector. Accordingly, ABBANK brand positioning is associated with the image of a friendly, prestigious, community-oriented retail bank, building connection, trust and empathy with customers.
- › Focusing on the development Digital Banking: ABBANK will promote investment and application of modern technology, laying the foundation for the breakthrough in diversified and hi-tech products, enhancing its competition in products and services, bringing seamless and unique experiences to customers.
- › Digitalizing daily operations to improve risk management capacity.
- › Completing the strategic initiatives across the system: CRM project is under consideration to be implemented in 2020 to serve customer analysis needs and business operations of ABBANK.
- › Listing and trading ABBANK shares on the stock exchange.

ASSESSMENT OF THE BOARD OF DIRECTORS ON THE BANKS OPERATION

04



ABOUT THE CORPORATE GOVERNANCE

With commitments in development of highest ethical standards and professionalism in its operation, in 2019 ABBANK focused on activities as follows:

- › Timely and regularly updating information on its activities on the Banks website, on IDS portal and in annual reports in compliance with regulation on information disclosure on securities market issued by the Ministry of Finance.
- › Developing and issuing internal regulations and policy frameworks for the Banks administration and operation.
- › Focusing and bearing high responsibilities in administration such as further implementation of ABBANKs strategic orientations, improvement of organizational structure of the Head Office / Business units to meet requirements of development of the Bank, etc
- › Directing completion of important projects of the Bank, including “Improving the efficiency and operation of ABBANK”, LOS data management system, phase 1 of Basel II in compliance with Circular 41 on risk-weighted asset and application of digital banking in payment operations.

ENVIRONMENTAL AND SOCIAL RESPONSIBILITIES

ABBANKs environmental policy and social and environmental risk management system were formulated with science-based standards and strictly implemented. This shows ABBANKs determination and effort in complying with the new Principles of a responsible Bank; associating environmental protection in business activities; complying national laws and international practices and standards to control and minimize costs of resource loss, environmental pollution and ecosystem degradation in the process of extending credit to economic activities.

Together with maintaining stable business activities, controlling the environmental and social impacts of donor projects, ABBANK always takes the responsibility of social community and enhances the sense of protecting, preserving and building a green, clean and beautiful environment.

Therefore, ABBANK has successfully implemented social security programs in the Northwest, the Central Highlands and the South West in accordance with the national targeted program on

sustainable poverty reduction of the Government.

In addition, ABBANK has maintained a large budget for supporting people with special circumstances, building facilities, granting scholarships to localities through annual programs such as support to education, healthcare, etc.

Together with the implementation of social security activities, ABBANK shared responsibility for the environment through internal activities, to contribute climate change mitigation and green credit growth in the finance sector as well as to confirm commitments to the community and the environment, ABBANK has invested in research and development of green credit packages, encouraging borrowers to comply with requirements on environmental and social risk management, monitoring compliance of customers in line with the credit monitoring process of the Bank. ABBANKs awareness of environmental protection has also been shown through the use of friendly business items, such as stopping the use of plastic bags for wrapping saving books, using paper bags, non-woven bags, etc.

Identifying, assessing and better controlling the credit risk of loans due to environmental and social issues will bring cooperation opportunities, attracting resources and support from the international financial institutions when the climate change, green growth and sustainable development are becoming a major concern of the international community.

ABBANK will work closely with the domestic and foreign organizations and departments to cooperate to launch R&D of green credit support products, expand market share thanks to new eco-friendly products/ services (financing the energy savings, renewable energy, clean technology, untapped markets, etc.), consolidating existing customer networks and attracting new premium prospects to gradually increase the proportion of green credit in the credit portfolio structure; attaching importance to research and development of solutions to successfully manage the environmental and social risks in credit granting operations.

ABOUT THE BOARD OF MANAGEMENT AND THE BANKS BUSINESS

ABBANK achieved a stable and effective performance in 2019

In 2019, ABBANK gained many achievements in business development, ensuring operational safety, and improving efficiency of the whole system.

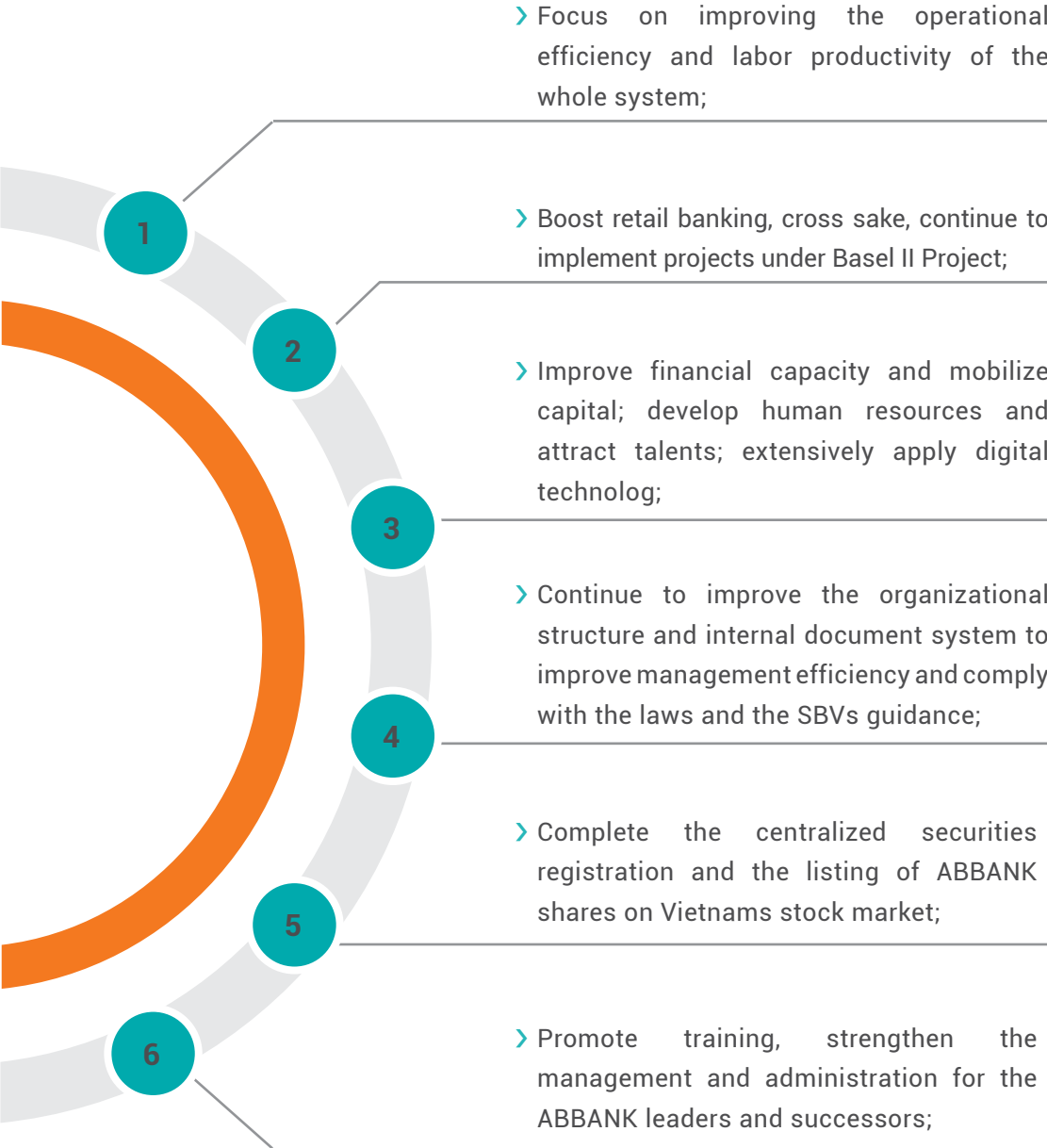
Thanks to its stable mobilized capital, good liquidity, improved and safe asset quality, ABBANK remained among the joint stock commercial banks with high credit rating in Vietnam.

The BOD recognizes ABBANKs operations in 2019 exceeded the pre-tax profit target approved by the General Meeting of Shareholders.



PLANS AND DIRECTIONS OF THE BOD

In 2020, the BOD will continue directing and supervising the fulfillment of ambitious business targets more at least 25% - 30% than the previous year, as well as, developing the growth plan for the next period after listing shares, attracting strong investment from market. Some key management tasks will be:



SUMMARIZED CONSOLIDATED FINANCIAL

**AN BINH JOINT STOCK
COMMERCIAL BANK**

December 31, 2019

05

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INDEPENDENT AUDITORS' REPORT

ON THE SUMMARY SEPARATE FINANCIAL STATEMENTS

To: *The Shareholders*
An Binh Commercial Joint Stock Bank

The summary separate financial statements prepared on 30 March 2020 and set out on pages from 3 to 8, which comprise the summary separate balance sheet as at 31 December 2019, the summary separate income statement and the summary separate cash flow statement for the year then ended, which are derived from the audited separate financial statements of An Binh Commercial Joint Stock Bank (“the Bank”) for the year ended 31 December 2019. We expressed an unmodified audit opinion on those separate financial statements in our report dated 30 March 2020. Those separate financial statements, and the summary separate financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those separate financial statements.

The summary separate financial statements do not comprise as required by the Vietnamese Accounting Standards, Vietnamese Accounting Standards for credit institutions and the statutory requirements relevant to the preparation and presentation of the separate financial statements. Accordingly, reading the summary separate financial statements is not a substitute for reading the audited separate financial statements of the Bank.

MANAGEMENT'S RESPONSIBILITY

The Bank's management is responsible for the preparation and fair presentation of these summary financial statements, which comprise the summary separate balance sheet as at 31 December 2019, the summary separate income statement and the summary separate cash flow statement for the year then ended for the purpose of publishing the financial statements in accordance with Paragraph 11, Article 1, Circular No. 49/2014/TT-NHNN dated 31 December 2014 on modification and supplementation to certain articles of the Financial Reporting Regime for credit institutions promulgated in Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and Chart of Accounts for credit institutions promulgated in Decision No. 479/2004/QĐ-NHNN dated 29 April 2004.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these summary financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standard on Auditing No. 810 - “Engagements on summary financial statements”.

AUDITORS' OPINION

In our opinion, the summary separate financial statements - derived from the separate audited financial statements for the year ended 31 December 2019 of the Bank - are consistent, in all material respects, in compared with the audited financial statements in accordance with Paragraph 11, Article 1, Circular No. 49/2014/TT-NHNN dated 31 December 2014 on modification and supplementation to certain articles of the Financial Reporting Regime for credit institutions promulgated in Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and Chart of Accounts for credit institutions promulgated in Decision No. 479/2004/QĐ-NHNN dated 29 April 2004.

Ernst & Young Vietnam Limited



NGUYEN THUY DUONG

Partner

Audit Practising Registration

Certificate No.: 0893-2018-004-1



VU TIEN DUNG

Auditor

Audit Practising Registration

Certificate No.: 3221-2020-004-1

Ho Chi Minh, Vietnam
30 March 2020

SUMMARY SEPARATE BALANCE SHEET

As at 31 December 2019

	ENDING BALANCE VND million	BEGINNING BALANCE VND million
ASSETS		
Cash	757,147	859,990
Balances with the State Bank of Vietnam	6,802,645	2,171,731
Due from and loans to other credit institutions	17,776,242	9,118,873
• Due from other credit institutions	9,627,855	6,698,735
• Loans to other credit institutions	8,148,387	2,420,138
Derivatives instruments and other financial assets	49,812	107,851
Loans to customers	56,070,111	51,537,029
• Loans to customers	56,802,965	52,184,147
• Provision for credit losses of loans to customers	(732,854)	(647,118)
Purchased debts	151,756	278,331
• Purchased debts	153,234	280,516
• Provision for credit losses of purchased debts	(1,478)	(2,185)
Chứng khoán đầu tư	16,463,267	21,151,186
• Available-for-sale securities	15,001,050	18,420,114
• Held-to-maturity securities	1,867,538	3,670,500
• Provision for investment securities	(405,321)	(939,428)
Long-term investments	528,791	528,791
• Investments in subsidiaries	260,000	260,000
• Other long-term investments	268,791	268,791
Fixed assets	950,242	970,104
• Tangible fixed assets	574,358	565,012
• Cost	1,077,272	1,009,936
• Accumulated depreciation	(502,914)	(444,924)
• Intangible fixed assets	375,884	405,092
• Cost	595,196	598,819
• Accumulated depreciation	(219,312)	(193,727)
Other assets	2,936,800	3,513,451
• Receivables	1,093,907	2,284,817
• Interest and fees receivables	851,290	1,002,261
• Other assets	1,119,051	341,157
• Provision for other assets	(127,448)	(114,784)
TOTAL ASSETS	102,486,813	90,237,337

SUMMARY SEPARATE BALANCE SHEET (continued)

As at 31 December 2019

	ENDING BALANCE VND million	BEGINNING BALANCE VND million
LIABILITIES		
Borrowings from the State Bank of Vietnam	-	6,753,044
Due to and borrowings from other credit institutions	16,734,947	9,343,977
• Due to other credit institutions	8,465,970	4,237,529
• Borrowings from other credit institutions	8,268,977	5,106,448
Due to customers	69,595,380	62,547,299
Grants, entrusted funds and loans, exposed to risks	1,161,950	1,151,990
Valuable papers issued	5,191,040	1,943,038
Other liabilities	2,035,850	1,673,298
• Interest and fees payable	1,546,071	1,073,085
• Other payables	489,779	600,213
TOTAL LIABILITIES	94,719,167	83,412,646
OWNERS' EQUITY		
Capital	5,713,114	5,319,496
• Charter capital	5,713,114	5,319,496
Reserves	603,103	449,538
Retained earnings	1,451,429	1,055,657
TOTAL OWNERS' EQUITY	7,767,646	6,824,691
TOTAL LIABILITES AND OWNERS' EQUITY	102,486,813	90,237,337

SUMMARY SEPARATE BALANCE SHEET (continued)

As at 31 December 2019

OFF-BALANCE SHEET ITEMS

	ENDING BALANCE VND million	BEGINNING BALANCE VND million
Foreign exchange commitments	98,781,375	61,486,753
• Commitments to buy foreign currencies	5,589,815	4,285,558
• Commitments to sell foreign currencies	5,593,406	4,289,057
• Cross currency swap contracts	87,598,154	52,912,138
Undrawn loans commitments	32,771	42,497
Letters of credit	546,353	285,180
Other guarantees	4,342,411	5,610,087
Other commitments	2,553,650	2,559,200
	106,256,560	69,983,717

Prepared by:



MR. NGUYEN CONG ANH
Head of General Accounting
Department

Reviewed by:



MR. BUI QUOC VIET
Chief Accountant

Approved by:



MR. PHAM DUY HIEU
Acting General Director

Ho Chi Minh City, Vietnam
30 March 2020

SUMMARY SEPARATE INCOME STATEMENT

As at 31 December 2019

	CURRENT YEAR VND million	PREVIOUS YEAR VND million
Interest and similar income	6,492,320	5,455,042
Interest and similar expenses	(4,054,971)	(3,459,480)
Net interest and similar income	2,437,349	1,995,562
• Fee and commission income	323,194	443,264
• Fee and commission expenses	(124,760)	(106,268)
Net gain/(loss) fee and commission income	198,434	336,996
Net gain/(loss) from trading of foreign currencies	195,817	196,175
Net gain/(loss) from securities held for trading	-	3,872
Net gain from investment securities	574,051	372,078
• Other operating income	315,401	42,448
• Other operating expenses	(124,975)	(78,975)
Net gain/(loss) from other operating activities	190,426	(36,527)
Income from investments in other entities	22,227	34,086
TOTAL OPERATING INCOME	3,618,304	2,902,242
• Personnel expenses	(870,427)	(789,334)
• Depreciation and amortization charges	(86,195)	(76,916)
• Other operating expenses	(938,707)	(820,764)
TOTAL OPERATING EXPENSES	(1,895,329)	(1,687,014)
Net profit from operating activities before provision for credit losses	1,722,975	1,215,228
Provision expense for credit losses	(493,975)	(314,472)
PROFIT BEFORE TAX	1,229,000	900,756
Current corporate income tax expense	(260,045)	(190,879)
Corporate income tax expenses	(260,045)	(190,879)
PROFIT AFTER TAX	968,955	709,877

Prepared by:



MR. NGUYEN CONG ANH
Head of General Accounting
Department

Reviewed by:



MR. BUI QUOC VIET
Chief Accountant

Approved by:



MR. PHAM DUY HIEU
Acting General Director

Ho Chi Minh City, Vietnam
30 March 2020

SUMMARY SEPARATE CASHFLOW STATEMENT

As at 31 December 2019

	CURRENT YEAR VND million	PREVIOUS YEAR VND million
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest and similar receipts	6,674,871	5,591,333
Interest and similar payments	(3,650,645)	(3,429,826)
Net fee and commission receipts	235,514	336,996
Net receipts from trading of securities, gold and foreign currencies	775,824	562,911
Income/(Fee) other	116,343	(15,013)
Recoveries from bad debts written-off previously	34,847	17,729
Payments to employees and other operating expenses	(1,829,836)	(1,647,638)
Corporate income tax paid during the year	(228,438)	(175,267)
Net cash flows from operating profit before changes in operating assets and liabilities	2,128,480	1,241,225
Changes in operating assets		
(Increase)/Decrease in due from and loans to other credit institutions	(2,378,515)	1,517,264
Decrease/(Increase) in investment securities	5,405,114	(3,510,057)
Decrease/(Increase) in other derivative and financial assets	58,039	(6,093)
Increase in loans to customers	(4,491,536)	(4,238,498)
Utilization of provision to write off loans to customers, securities and long-term investments	(1,130,635)	(603,307)
Decrease/(Increase) in other assets	413,848	(931,204)
Changes in operating liabilities		
(Decrease)/Increase in borrowings from the State Bank of Vietnam	(6,753,044)	6,753,044
Increase/(Decrease) in deposits and borrowings from other credit institutions	7,390,970	(7,486,261)
Increase in customer deposits	7,048,081	4,386,875
Increase in valuable papers issued	3,248,002	-
Increase in other borrowed and entrusted funds	9,960	865,653
(Decrease)/Increase in other liabilities	(168,041)	293,774
Net cash from/(used in) operating activities	10,780,723	(1,717,585)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(121,258)	(210,012)
Proceeds from disposal of fixed assets	125,233	100
Proceeds from disposal of investments in other entities	-	22,302
Proceeds from disposal of investments in other entities dividends received from long-term investments	22,227	12,586
Net cash from/(used in) investing activities	26,202	(175,024)

SUMMARY SEPARATE CASHFLOW STATEMENT (continued)

As at 31 December 2019

	CURRENT YEAR VND million	PREVIOUS YEAR VND million
CASH FLOWS FROM FINANCING ACTIVITY		
Payment for settle valuable papers	-	(22,682)
Net cash used in financing activities	-	(22,682)
Net cash flows during the year	10,806,925	(1,915,291)
Cash and cash equivalents at the beginning of the year	11,290,594	13,205,885
Cash and cash equivalents at the end of the year	22,097,519	11,290,594

Prepared by:



MR. NGUYEN CONG ANH
Head of General Accounting
Department

Reviewed by:



MR. BUI QUOC VIET
Chief Accountant

Approved by:



MR. PHAM DUY HIEU
Acting General Director

Ho Chi Minh City, Vietnam
30 March 2020

INDEPENDENT AUDITORS' REPORT ON THE SUMMARY CONSOLIDATED FINANCIAL STATEMENTS

**To: *The Shareholders*
 *An Binh Commercial Joint Stock Bank***

The summary separate financial statements prepared on 30 March 2020 and set out on pages from 3 to 8, which comprise the summary separate balance sheet as at 31 December 2019, the summary separate income statement and the summary separate cash flow statement for the year then ended, which are derived from the audited separate financial statements of An Binh Commercial Joint Stock Bank ("the Bank") for the year ended 31 December 2019. We expressed an unmodified audit opinion on those separate financial statements in our report dated 30 March 2020. Those separate financial statements, and the summary separate financial statements, do not reflect the effects of events that occurred subsequent to the date of our report on those separate financial statements.

The summary separate financial statements do not comprise as required by the Vietnamese Accounting Standards, Vietnamese Accounting Standards for credit institutions and the statutory requirements relevant to the preparation and presentation of the separate financial statements. Accordingly, reading the summary separate financial statements is not a substitute for reading the audited separate financial statements of the Bank.

MANAGEMENT'S RESPONSIBILITY

The Bank's management is responsible for the preparation and fair presentation of these summary financial statements, which comprise the summary separate balance sheet as at 31 December 2019, the summary separate income statement and the summary separate cash flow statement for the year then ended for the purpose of publishing the financial statements in accordance with Paragraph 11, Article 1, Circular No. 49/2014/TT-NHNN dated 31 December 2014 on modification and supplementation to certain articles of the Financial Reporting Regime for credit institutions promulgated in Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and Chart of Accounts for credit institutions promulgated in Decision No. 479/2004/QĐ-NHNN dated 29 April 2004.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these summary financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standard on Auditing No. 810 - "Engagements on summary financial statements".

AUDITORS' OPINION

In our opinion, the summary separate financial statements - derived from the separate audited financial statements for the year ended 31 December 2019 of the Bank - are consistent, in all material respects, in compared with the audited financial statements in accordance with Paragraph 11, Article 1, Circular No. 49/2014/TT-NHNN dated 31 December 2014 on modification and supplementation to certain articles of the Financial Reporting Regime for credit institutions promulgated in Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and Chart of Accounts for credit institutions promulgated in Decision No. 479/2004/QĐ-NHNN dated 29 April 2004.

Ernst & Young Vietnam Limited



NGUYEN THUY DUONG

Partner
Audit Practising Registration
Certificate No.:0893-2018-004-1



VU TIEN DUNG

Auditor
Audit Practising Registration
Certificate No.: 3221-2020-004-1

Ho Chi Minh, Vietnam
30 March 2020

SUMMARY CONSOLIDATED BALANCE SHEET

As at 31 December 2019

	ENDING BALANCE VND million	BEGINNING BALANCE VND million
ASSETS		
Cash	757,147	859,990
Balances with the State Bank of Vietnam	6,802,645	2,171,731
Due from and loans to other credit institutions	17,854,550	9,138,882
• Due from other credit institutions	9,706,163	6,718,744
• Loans to other credit institutions	8,148,387	2,420,138
Derivatives instruments and other financial assets	49,812	107,851
LOANS TO CUSTOMERS	56,070,111	51,537,029
• Loans to customers	56,802,965	52,184,147
• Provision for credit losses of loans to customers	(732,854)	(647,118)
Purchased debts	151,756	278,331
• Purchased debts	153,234	280,516
• Provision for credit losses of purchased debts	(1,478)	(2,185)
Investment securities	16,472,167	21,151,186
• Available-for-sale securities	15,009,950	18,420,114
• Held-to-maturity securities	1,867,538	3,670,500
• Provision for investment securities	(405,321)	(939,428)
Long-term investments	268,791	268,791
• Other long-term investments	268,791	268,791
Fixed assets	950,242	970,104
• Tangible fixed assets	574,358	565,012
• Cost	1,078,447	1,011,111
• Accumulated depreciation	(504,089)	(446,099)
• Intangible fixed assets	375,884	405,092
• Cost	595,196	598,819
• Accumulated depreciation	(219,312)	(193,727)
Investment properties	71,227	72,473
• Cost	74,030	74,030
• Accumulated depreciation	(2,803)	(1,557)
Other assets	3,108,476	3,441,523
• Receivables	1,038,953	1,989,902
• Interest and fees receivables	855,728	1,004,753
• Other assets	1,389,566	609,845
• Provision for other assets	(175,771)	(162,977)
TOTAL ASSETS	102,556,924	89,997,891

SUMMARY CONSOLIDATED BALANCE SHEET (continued)

As at 31 December 2019

	ENDING BALANCE VND million	BEGINNING BALANCE VND million
LIABILITIES		
Borrowings from the State Bank of Vietnam	-	6,753,044
Due to and borrowings from other credit institutions	16,734,947	9,343,977
• Due to other credit institutions	8,465,970	4,237,529
• Borrowings from other credit institutions	8,268,977	5,106,448
Due to customers	69,574,328	62,259,884
Grants, entrusted funds and loans, exposed to risks	1,161,950	1,151,990
Valuable papers issued	5,191,040	1,943,038
Valuable papers issued	2,051,880	1,677,213
• Other liabilities	1,545,671	1,065,874
• Interest and fees payable	506,209	611,339
TOTAL LIABILITIES	94,714,145	83,129,146
OWNERS' EQUITY		
Capital	5,714,108	5,320,490
• Charter capital	5,713,114	5,319,496
• Fund for capital expenditure	994	994
Reserves	639,633	480,167
Retained earnings	1,489,038	1,068,088
TOTAL OWNERS' EQUITY	7,842,779	6,868,745
TOTAL LIABILITIES AND OWNERS' EQUITY	102,556,924	89,997,891

SUMMARY CONSOLIDATED BALANCE SHEET (continued)

As at 31 December 2019

OFF-BALANCE SHEET ITEMS

	ENDING BALANCE VND million	BEGINNING BALANCE VND million
Foreign exchange commitments	98,781,375	61,486,753
• Commitments to buy foreign currencies	5,589,815	4,285,558
• Commitments to sell foreign currencies	5,593,406	4,289,057
• Cross currency swap contracts	87,598,154	52,912,138
Undrawn loans commitments	32,771	42,497
Letters of credit	546,353	285,180
Other guarantees	4,342,411	5,610,087
Other commitments	2,553,650	2,559,200
	106,256,560	69,983,717

Prepared by:



MR. NGUYEN CONG ANH
Head of General Accounting
Department

Reviewed by:



MR. BUI QUOC VIET
Chief Accountant

Approved by:



MR. PHAM DUY HIEU
Acting General Director

Ho Chi Minh City, Vietnam
30 March 2020

SUMMARY CONSOLIDATED INCOME STATEMENT

As at 31 December 2019

	CURRENT YEAR VND million	PREVIOUS YEAR VND million
Interest and similar income	6,525,900	5,478,075
Interest and similar expenses	(4,047,648)	(3,439,575)
Net interest and similar income	2,478,252	2,038,500
• Fee and commission income	355,078	467,786
• Fee and commission expenses	(161,614)	(133,967)
Net gain/(loss) fee and commission income	193,464	333,819
Net gain/(loss) from trading of foreign currencies	195,817	196,175
Net gain/(loss) from securities held for trading	-	8,508
Net gain from investment securities	578,778	372,078
• Other operating income	315,401	71,484
• Other operating expenses	(125,000)	(109,771)
Net gain/(loss) from other operating activities	190,401	(38,287)
Income from investments in other entities	2,227	2,086
TOTAL OPERATING INCOME	3,638,939	2,912,879
• Personnel expenses	(877,938)	(795,374)
• Depreciation and amortization charges	(87,441)	(76,916)
• Other operating expenses	(905,601)	(798,142)
TOTAL OPERATING EXPENSES	(1,870,980)	(1,670,432)
Net profit from operating activities before provision for credit losses	1,767,959	1,242,447
Provision expense for credit losses	(493,975)	(314,472)
PROFIT BEFORE TAX	1,273,984	927,975
Current corporate income tax expense	(273,309)	(213,068)
Corporate income tax expenses	(273,309)	(213,068)
PROFIT AFTER TAX	1,000,675	714,907
Basic earnings/(losses) per share (VND)	1,752	1,205

Prepared by:



MR. NGUYEN CONG ANH
Head of General Accounting
Department

Reviewed by:



MR. BUI QUOC VIET
Chief Accountant

Approved by:



MR. PHAM DUY HIEU
Acting General Director

Ho Chi Minh City, Vietnam
30 March 2020

SUMMARY CONSOLIDATED CASHFLOW STATEMENT

As at 31 December 2019

	CURRENT YEAR VND million	PREVIOUS YEAR VND million
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest and similar receipts	6,708,451	5,621,129
Interest and similar payments	(3,643,322)	(3,412,480)
Net fee and commission receipts	230,544	333,819
Net receipts from trading of securities, gold and foreign currencies	780,551	567,547
Other income	116,318	(16,637)
Recoveries from bad debts written-off previously	34,847	17,729
Payments to employees and other operating expenses	(1,804,241)	(1,632,525)
Corporate income tax paid during the year	(239,297)	(190,506)
Net cash flows from operating profit before changes in operating assets and liabilities	2,183,851	1,288,076
Changes in operating assets		
Increase)/Decrease in due from and loans to other credit institutions	(2,436,815)	1,557,264
Decrease)/(Increase) in investment securities	5,396,214	(3,510,057)
Decrease)/(Increase) in other derivative and financial assets	58,039	(6,093)
Increase in loans to customers	(4,491,536)	(4,238,498)
Utilization of provision to write off loans to customers, securities and long-term investments	(1,130,635)	(604,057)
Decrease)/(Increase) in other assets	170,244	(1,020,588)
Changes in operating liabilities		
(Decrease)/Increase in borrowings from the State Bank of Vietnam	(6,753,044)	6,753,044
Increase)/(Decrease) in deposits and borrowings from other credit institutions	7,390,970	(7,486,261)
Increase in customer deposits	7,314,444	4,362,004
Increase in valuable papers issued	3,248,002	-
Increase in other borrowed and entrusted funds	9,960	865,653
(Decrease)/Increase in other liabilities	(158,942)	292,928
Utilization of funds	(30)	-
Net cash from/(used in) operating activities	10,800,722	(1,746,585)
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(121,258)	(210,012)
Proceeds from disposal of fixed assets	125,233	100
Proceeds from disposal of investment properties	-	29,000
Proceeds from disposal of investments in other entities	-	22,302
Dividends received from long-term investments	2,227	12,586
Net cash from/(used in) investing activities	6,202	(146,024)

SUMMARY CONSOLIDATED CASHFLOW STATEMENT (continued)

As at 31 December 2019

	CURRENT YEAR VND million	PREVIOUS YEAR VND million
CASH FLOWS FROM FINANCING ACTIVITY		
Payment for settle valuable papers	-	(22,682)
Net cash used in financing activities	-	(22,682)
Net cash flows during the year	10,806,924	(1,915,291)
Cash and cash equivalents at the beginning of the year	11,290,603	13,205,894
Cash and cash equivalents at the end of the year	22,097,527	11,290,603

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Ho Chi Minh City, Vietnam
30 March 2020



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