SOCIALIST REPUBLIC OF VIETNAM

Independence - Freedom - Happiness

Hanoi, April 3, 2023

BUSSINESS PLAN FOR THE YEAR 2023

(To be submitted to the Annual General Meeting of Shareholders 2023 for approval)

I. Vietnam's socio-economic situation in 2022 and forecast for 2023

1. Vietnam's socio-economic situation in 2022

- GDP in 2022 is estimated to increase by 8.02%, higher than the same period of 2020 and 2021, which is the highest increase in the period 2011-2022; production and business activities have gradually regained growth momentum, the Government's socio-economic recovery and development policies have been effective. It is expected that GDP will reach 6.5%; CPI will reach 4.5% according to the National Assembly Resolution for 2023 socio-economic goals.
- The stock market is affected by the global market when many countries implement tight monetary policies, in which the stock market capitalization as of December 2022 decreased by 32.8% compared to the end of 2021.
- Many policies have been reviewed and promulgated to manage the real estate market (lending, tax, land law) to minimize potential risk of bubble in the real estate market. Many tough measures to correct the stock market were taken in 2022.
- Vietnam's economy has a high openness, so it will also face many difficulties and challenges due to the current complicated economic and political situation of the world: the Russia-Ukraine war and the risk of China-Taiwan armed conflict.
- Deposit interest rates on client market and interbank market both increased. Interbank market witnessed a very strong increase compared to the beginning of 2022 and at one time exceeded 7% (O/N tenor) compared to the beginning of the year at just under 1%.
- In the first nine months of 2022, the VND depreciated by about 5% against the USD much lower than the currencies of other countries in the region (TWD: -13.5%; JPY: -25%; Philippine Peso: -13.5%; SGD: -7.5%; ...). The SBV has made efforts to stabilize exchange rate when selling an estimated USD amount of more than US$20 billion (out of total foreign exchange reserves of approximately US$110 billion).
- By the end of October 2022, credit growth of the whole industry reached 11.5% compared to 2021 (Source: Economy and Forecast) and it is estimated that credit growth for the whole year 2022 will reach 14.5%.
- GDP recovers rapidly: Vietnam's GDP growth is expected to pick up again to pre-COVID levels (~7%) in 2021, after a sharp decline in 2020 (4-5%).

2. Economic forecast for 2023

- It is expected that GDP will reach 6.5%; CPI will reach 4.5% according to the National Assembly Resolution for 2023 socio-economic goals.
- Some real estate market developments in 2023 are predicted as follows:
  - New supply brought to the market is reduced by indirect impact
  - Buyers have limited access to loans, affecting market demand
  - Selling price is pushed up because investors have to pay a lot to access many sources of loans
  - Lack of product diversity because most of the projects today are positioned in the high-end segment and sold at high prices.
- Vietnam's economy has a high openness, so it will also face many difficulties and challenges due to the current complicated economic and political situation of the world: the slowing growth and the possibility of falling into recession or crisis in 2023 of world economy; supply chain disruptions; rising price of essential goods; globally high inflation; new COVID variants that may still be complicated.
- Credit growth is expected to reach around 13% in 2023 (twice as expected GDP growth according to statistics from 2015 to 2021 excluding 2 years affected by the COVID pandemic).

II. Business targets for the year 2023

Unit: VND billion

TT	Chỉ tiêu	2022 result	2023 plan	Compare 2023 plan/2022 result
1	Total assets	130,065	136,816	105%
2	Deposit from Market 1	91,994	93,508	102%
	Customer deposit	*91,837*	*93,508*	*102%*
	IFC, DEG & Norfund	*157*	*0*	*0%*
3	Credit balance (including: loan from corporates and individuals, investment in corporate bonds) (*)	88,529	97,382	110%
4	Bad debt ratio (Group 3-5)	< 3%	< 3%	
5	Net service income and guarantee fee / Total operating income	5.49%	18.36%	334%
6	Profit before tax	1,686	2,826	168%
7	After-tax ROE	10.98%	16.00%	146%

(*) Based on credit room approved by the State Bank of Vietnam for each period

III. Key missions for 2023

1. Business activities:

With an objective to deliver a sustainable growth in 2023, ABBANK has set several business goals, in specific:

- Net revenue growth before risk is expected to reach VND 6,835 billion, increase ~156% compared to 2022 results.
- The expected CIR rate declines at 34.5%, decrease ~9.4% compared to the 2022 rate (43.9%).

The Business Divisions have identified the key potential areas together with key initiatives to deliver the 2023 business objectives, including:

a) Retail banking customer segment (RB):

- Build and promote the development of digital channels to improve customer's experience, attract and retain customers to use ABBANK's products and services.
- Based on deep customer's understanding, build relevant products and services solutions to targeted customer segments together with insight-based promotional campaigns to attract CASA and transform customers from using ABBANK's account as the main bank account.
- Strengthen the development of life insurance products through strategic partnership cooperation aiming to increase fee income together with an improved customer's experience towards life insurance concept in the market.
- Focusing on home loan solutions through cooperation with strategic developers and offer only to the selected segment of customers who have a need to buy home for living. In addition, strictly control the valuation of special assets, thereby controlling risks in lending activities.

b) Small and Medium Enterprises segment (SMEs):

- Build the infrastructure and promote the development of digital channels to increase the experience and attract customers to use ABBANK's digital services, thereby the bank operational cost can be optimized.
- Build relevant payment solutions based on deep customers understanding to promote the attraction of CASA and moving to transaction banking services in the longer term, aiming to drive customers towards using ABBANK account as the main payment account.
- Promote fee collection activities and loan balance growth through the development of industry-focused financial solutions.

c) Wholesale banking (WB):

- Enhance business efficiency with existing customer groups.
- Focus on building chain business solutions with potential customers to bring customers to SMEs and science and technology.

d) Treasury, financial markets, and transaction banking:

- Developing TB solutions for SMEs and WB customers.
- Focus on growing foreign currency trading activities for customers (FX sale), especially FDI group.
- Decrease focus on revenue growth is highly dependent on market fluctuations (FX trading, Bond trading)

2. Cost optimization:

a) Operation expenses:

- Focus to optimize the bank's operational efficiency on the basis of existing resources.
- Concentrate investment spending on key projects on the basis of ensuring business efficiency of the bank.
- Actively and regularly assess, review and reduce inefficient costs, thereby optimizing the bank's operating costs.

b) Risk cost:

- Promoting risk cost control by managing loan portfolios according to customers and monitoring standardized fixed asset valuation activities.

3. Business support activities:

a) Transforming the organizational structure towards “Customer centricity”.

b) Step by step building a technology architecture to serve digital transformation.

c) Driving data transformation and analytics capability which have to improve the efficiency of making business decisions

d) Step by step building a model of risk assessment expectation - risk according to customers.

e) Improving leadership capacity, customer understanding and change management toward organization transformation aspiration.

f) Review and reinforce Core values and Organizational culture to be appropriate for the transformation period.

IV. Key Strategic actions

1. Transforming Strategy, Core Values

a) Strategic orientation "Customer centricity".

b) Introduction of 05 new core values: “Customer centricity – Human resources is an asset – Collaboration for development – Flexibility and adaptability – Discipline to win”.

c) Deploying a series of communication actions with 05 core values and behavioral standards to gradually build a strong corporate culture towards the strategic goals of 2021-2025.

d) Restructure the organization of the Head Office Units, especially the Business Divisions, restructure the functional business model, towards the core value of "Customer centricity".

e) Continuing to implement the Cultural Journey Program for the second year consecutively, aiming to help employees to understand and practice behavioral standards according to core values and implement the strategy of "Customer centricity".

f) Researching and applying flexible Agile working methods and tools, promoting effective collaboration and create high work productivity.

2. Planning and improving the efficiency of the points of sale

a) Continuing to implement Sales & Service Division activities: coordinate and support Business Divisions to improve sales efficiency, ensure the quality of customer service and experience.

b) Continuing to optimize the planning and ensure the effectiveness of the points of sale according to ABBANK's organizational model and business orientation in live with the strategic direction for the period 2021 - 2025.

c) Continuously improve the capability and capacity of the sales team after re-structure / re-design the points of sale.

d) Comprehensive assessment of the efficiency by size and profitability of the points of sales of the WB/SMEs/RB segments, restructuring the inefficient points of sale to change the selling and service model of these units to improve efficiency based on the existing resources of the unit as well as the potential of the market and competitors.

3. Digital conversion

a) Towards the perfect customer experience, thereby increasing the opportunity to exploit products and services

Implementing Digital Transformation activities according to the results of McKinsey's Information Technology Strategy Consulting Project. Which focuses on the following key projects: Customer Relationship Management System (CRM), Digital Platform Multichannel System (Omni-channel, eKYC, Cloud CA), Accounting and financial accounting management system (GL), Project to build Credit Risk Quantification Model in Science and Technology segment (Credit Enginee), Project to deploy data management solutions - Datalake, Deploy Cloud infrastructure (ERP), Project on Automation core business process automation using high technology (BPA, AI – Machine Learning)

b) Optimizing operating costs

Digital transformation will not only drive revenue growth thru attracting and retaining customers but also will contribute to the optimization of the operating cost for the bank through the process of digitizing the Bank's operating processes hence enabled to accelerate the completion of business operations.

Kindly submitting to the General Meeting of Shareholders to approve the Business Plan for 2023, the Chief Executive Officer will implement specific solutions and action plans to implement the 2023 Business Plan approved by the General Meeting of Shareholders.

Best regards.

CHIEF EXECUTIVE OFFICER

(Signed)

LE THI BICH PHUONG