

Code VPB
Company name VietNam Prosperity Joint Stock Commercial Bank
Date 06/01/2020
Subject Resolution of Annual General Meeting 2020

Content:

VietNam Prosperity Joint Stock Commercial Bank announces the resolution of Annual General Meeting 2020 dated May 29, 2020 as follows:

- “1. Passing of VPBank's standalone and consolidated financial statements for fiscal year ended December 31, 2019 audited by Ernst and Young Vietnam Ltd.
2. Passing of the Business Performance Report 2019 and Action plan 2020 with the following indicators (Annex 01)

Business performance 2019

No	Indicators	Actual 2019 (VND bil)	Budget 2019 (VND bil)	Actual vs Budget 2019	Actual 2019 vs 2018(%)
1	Total assets	377,204	373,649	101%	16.7%
2	Customer deposits and valuable papers issued	271,549	252,435	108%	23.7%
3	Loan balance	271,407	265,408	102%	17.6%
4	Standalone NPL ratio	2.18%	<3%	Completed	
5	Profit before tax	10,324	9,500	109%	12.2%

Business targets 2020

No.	Indicators (VND billion, %)	Budget 2020	% growth
1	Total assets	425,132	12.7%
2	Customer deposits and valuable papers issued	299,728	10.4%
3	Loan balance	304,744	12.3%
4	Standalone NPL ratio	<3%	
5	Profit before tax	10,214	-1.1%

3. Passing of the Board of Directors' full report (Annex 02)
4. Passing of the Supervisory Board's full report (Annex 03)
5. Passing of profit distribution plan 2019 (Annex 4)

Based on the audited standalone and consolidated financial statements 2019, the Board of Directors hereby propose to the AGM the profit distribution plan 2019 as follows:

No.	Indicators	Amount (VND)
1	VPBank's consolidated profit after tax (*)	8,260,263
1.1	Excluding profits from internal transactions	8,715
2	Total funds appropriation (*)	4,289,364
21	Capital supplementary reserve (mandatory)	412,578
	<i>Including:</i>	
	<i>VPBank's capital supplementary reserve</i>	232,984
	<i>VPBAMC's capital supplementary reserve</i>	77
	<i>VPBFC's (FE Credit) capital supplementary reserve</i>	179,517
22	Financial reserve (mandatory)	825,001
	<i>Including:</i>	
	<i>VPBank's financial reserve</i>	465,968
	<i>VPBank AM C's financial reserve</i>	-
	<i>VPB FC's financial reserve</i>	359,033
23	Investment and development fund	3,051,785
	<i>Including:</i>	-
	<i>VPB FC's (FE Credit) investment and development fund (This fund will be transferred to VPBank)</i>	3,051,785
3	Remaining profit after mandatory reserve deduction	7,013,969

(*) Notes: figures from audited consolidated financial statements

(i) Approve the consolidated profit 2019 distribution plan as above. Accordingly, undistributed profit after deducting mandatory reserve will be retained to fund the bank's business development.

(ii) Delegate and authorize the BOD to decide on the profit and fund distribution plan 2019 of VPBank and its subsidiaries as per legal regulations and SBV's stipulations.

6. Passing of the plan for issuing shares to VPBank's staff under ESOP (Annex 05)

1. Share name: Vietnam Prosperity Joint Stock Commercial Bank
2. Type of shares: common
3. Face value: VND 10,000.
4. Quantity of shares planned to issue/quantity of treasury stock planned for sales: 17,000,000
5. Pricing: preferential pricing for VPBank staff under ESOP, tentatively VND 10,000 per share
6. Total issue value/total value of tentative treasury stock for sales: VND 170,000,000,000
7. Tentative ratio of newly issued shares to outstanding shares: 0.672%
8. Eligible buyers: the list of eligible VPBank's employees decided by the BOD based on specific criteria. Non-executive BOD members cannot buy.
9. Transfer restriction: Employees who can buy treasury stock at the preferential price are subject to transfer restriction within maximum three years from the finalization date of the issuance batch. The BOD will decide on the relaxation of restriction depending on human resources policy in each period but not exceeding the following ratio: 30% of the shares shall be unlocked after one year; 35% of the shares shall be unlocked after two years; 35% of the shares shall be unlocked after three years from the finalization date of the issuance batch. Other rights associated to such shares (if any) are not subject to transfer restriction. The staff members terminating labour contracts with the bank before the transfer restriction time must sell all restricted shares to VPBank at the preferential price. In some special cases, if the staff has a demand for selling the shares at the preferential price, they can propose to the Bank for consideration. The bank has the right but no obligations to reacquire shares from employees under any circumstances.
10. Transaction method: share purchase agreement between VPBank and staff in the eligible list.
11. Ownership transfer from VPBank to eligible buyers: OTC, via VSD's ownership transfer system in line with the decision by the State Securities Commission of Vietnam.

12. Timing: after getting the approval from SSC. Tentatively Quarter 3/2020

13. Consent and authorization for the BOD:

- (i) Delegations and authorizations for the BOD to decide on/complete the items related to ESOP, including but not limited to the following:
 - Revision and supplement to the plan for treasury stock sale/share issuance under ESOP in line with requirements by the regulatory agencies and the law;
 - Actual number of treasury shares stock/shares issued in line with staff demand/plan for handling the unsold shares to ensure no surpassing of the tentative number of 17,000,000;
 - Timing to implement the plan in line with actual situation.
 - Appointment of the securities company as the agent for the transaction (if necessary);
 - Completion of the procedures for treasury stock sale and share issuance under ESOP in line with the law.
- (ii) Authorization for the BOD to approve the following:
 - The criteria and eligible list of employees for ESOP;
 - The conditions on distribution to each employee;
 - Policies/requirements applicable to eligible employee;
 - The regulations/conditions/methods related to the reacquisition of shares of the leaving employee and/or consideration and decision to reacquire the shares of employee who has a demand for selling (in line with statutory requirements and staff demand), including but not limited to the authorization for the HO Labour Union of VPBank to represent, the funding for share reacquisition by the Labour Union, purchase agreement between the bank and staff, etc.;
 - The conditions/ list of employees eligible for the distribution of reacquired shares by the Labour Union;
 - Other relevant issues for ESOP implementation/operation.
- (iii) The BOD duly conduct the procedures for selling shares, transferring ownership, making securities deposits and additional listing, etc. and decide on relevant issues in line with requirements by the regulatory agencies.
- (iv) Authorization for the BOD to delegate authority to the Chairman or the CEO to execute the rights/tasks above.

7. Passing of remuneration and operating budget 2020 of VPBank's Board of Directors and Supervisory Board as follows: 0.5% x consolidated profit before tax (remained unchanged as per the Resolution 2019)

8. Agreeing on the contents passed by the AGM via ballot on the plan for international bond reacquisition:

- Method: in accordance with the regulations of the stock exchange and related markets; Volume: maximum volume is equivalent to the total issued bonds and within statutory limits;
- Condition and provision: compliant with international regulations on issuance and the Vietnam's law;
- Tentative timing: in 2020 or 2021 depending on market conditions;
- Procedure and process: in accordance with the Vietnam's and Singapore Exchange's regulations;
- Assign and authorize the BOD to make decision on details including but not limited to detailed method, prices, volume, timing, conditions and provisions relating to VPBank' s rights and obligations on the basis of VPBank's interest optimization and market practice compliance, transaction documents and necessary procedures to conduct the reacquisition .
- The AGM agrees and approves all the aforementioned decisions and tasks performed by the BOD within the above-mentioned scope of authority

9. Agreeing on the contents passed via ballot on the plan for reacquisition of issued shares as treasury stock as follows:

./ Passing of the plan for reacquisition of issued shares:

- Maximum volume of issued shares registered for reacquisition: 5% of outstanding shares;
- Purpose: to reduce the volume of outstanding shares, promote transactions, increase shareholders' value, etc.;
- Funding source: tentatively VPBank' s undistributed profit after tax as per the latest unaudited/unreviewed financial statements;
- Tentative timing: after the approval of the State Securities Commission for reacquisition application and the bank's disclosures of information as required

but no later than 30 days since the trading date. Tentatively in 2020;

- Transaction method: order matching or/and agreement;
- Pricing principle: in accordance with Circular 203/2015/TT-BTC dated December 21, 2015 of the Ministry of Finance and other relevant legislative documents and applicable regulations on stock exchange of Ho Chi Minh Stock Exchange;
- Daily order: pursuant to Circular 203/2015/TT-BTC dated December 21, 2015 of the Ministry of Finance and other relevant legislative documents and the applicable regulations on stock exchange of Ho Chi Minh Stock Exchange.
- Price (range): pursuant to Circular 203/2015/TT-BTC dated December 21, 2015 of the Ministry of Finance and other relevant legislative documents, and the applicable regulations on stock exchange of Ho Chi Minh Stock Exchange

./ Authorization to the BOD to execute the reacquisition plan as follows:

- Make decision on the timing, maximum volume, price (range), and transaction method of treasury stock;
- Amend and supplement the plan upon the requirements of competent authorities on the bank's reporting;
- Decide and execute all the steps and procedures related to reacquisition of issued shares.

./ The AGM agrees and approves all the aforementioned decisions and tasks performed by the BOD within the above-mentioned scope of authority

10. Agreeing on contents related to virtual AGM, online ballot, invitation/documents/ballot/etc. being sent via electronic mail with details as follows:

./ Implementation of online AGM: In case of necessity, the BOD may decide to conduct the AGM via online channel or other electronic ones. The online AGM will be equipped with cutting-edge technology to facilitate shareholders' participation, opinion raising, and voting via electronic ballot system or others. The BOD will issue the Regulation on online AGM participation and voting via electronic ballot system or other ones.

./ Supplement in case of electronic voting by ballots: the BOD reserves the rights to conduct voting by ballots via electronic channel or others. In such case, voting by

ballots via electronic channel will be implemented in accordance with the resolutions issued by the BOD under regulations of the law and/or guidance of the service provider (if any).

- ./ Introduction of an additional method for sending official AGM invitation, documents and electronic shareholders' ballot: VPBank will send the AGM invitation or written ballot by express to shareholders' addresses or via VPBank's email at ir@vpbank.com.vn/ irvpbank@vpbank.com.vn (or other email addresses created by VPBank in each period) to shareholders' emails as registered to Vietnam Securities Depository.
- ./ Methods for shareholders to send their ballots to the bank: shareholders can send their ballots by mail or via email to the addresses as per VPBank's guidance in documents on opinion collection.
- ./ Delegation to the BOD to update and supplement the above-mentioned points to the VPBank's internal documents for implementation. The BOD reserves the rights to make supplement to, clarification, and adjustment in accordance with regulations of the law and actual situation.

11. Agreeing on the issues related to foreign shareholder ownership ratio at VPBank:

- ./ Agree on the adjustment of the foreign ownership stake to 15% of VPBank's charter capital.
- ./ After registering such adjustment, authorize the Board of Directors to increase/decrease the foreign ownership stake in accordance with legal regulations and actual conditions of the market and the Bank.
- ./ Assign the Board of Directors to register with competent authorities to finalize the foreign ownership stake in the abovementioned cases.

12. Agreeing on several guidelines and task delegation and allocation to the Board of Directors as follows (Annex 06):

- 12.1 Agree on the plan to (i) establish or acquire subsidiaries and affiliated companies in order to conduct the permitted business lines according to the provisions of law and relevant guidelines or (ii) seize opportunities to associate,

partner or cooperate in another way with another credit institution valued at more than 20% of VPBank's charter capital specified in the latest audited financial statement. Authorize the Board of Directors to decide on the specific cases.

12.2 Approve the plan to sell VPBank's investment (contributed capital, shares) at its subsidiaries as follows: (i) selling ratio: whole or partial depending on agreement with investors within the statutory limit; (ii) trading prices of contributed capital: not lower than the value of equivalent charter capital; (iii) partners: domestic and foreign investors meeting the statutory requirements; (iv) in case of partial charter capital transfer, agree to convert the post-transfer legal form of subsidiaries to joint stock company or limited liability company with two members or more based on the agreement with investors and statutory requirements. Delegate and authorize the BOD to seek and negotiate with investors, and decide on all matters related to capital transfer at VPBank's subsidiaries, including but not limited to the selection of the subsidiary to be involved in the investment capital transaction, transfer amount/ratio of contributed capital/shares, transfer price, transfer conditions, post-transfer legal forms, charter and organizational structure of subsidiaries after transferring, documents bearing VPBank' s signature and/or involvement, and all other matters within the AGM's power during the investment capital transfer at VPBank's subsidiaries.

12.3 Agree on the plan to convert legal forms and change organizational structure/functions of VPBank's subsidiaries if necessary and in the interest of the Bank and its subsidiaries. Approve the transactions/contracts valued at more than 20% of VPBank's charter capital. Authorize and assign the BOD to decide on all relevant conditions of selling, merging and converting legal forms, etc. in line with the law, business directions and in the interests of VPBank and its subsidiaries.

12.4 Approve in principle deposit transactions, loan agreements, partnership and investment agreements and other transactions between the bank and VPBank Finance Company Limited (VPB FC) to meet the business cooperation demand and in line with relevant laws. Authorize the BOD to decide on the transactions and contracts with VPBank' s subsidiaries that valued at more than 20% of

VPBank' s charter capital.

12.5 Authorize and delegate the BOD to decide on issues under the power of the owners of the bank's subsidiaries.

12.6 Authorize and delegate the BOD to decide on organizational structure and managerial and executive apparatus of the bank, the bank's brand and image usage and management, etc.

12.7 Authorize and assign the BOD to decide on solutions to tackle major financial volatilities of the bank.

12.8 Agree on authorization to the BOD to decide on the ratio of foreign ownership to the bank's charter capital suitable to the actual situations and most beneficial to the Bank. Authorize the BOD to carry out the adjustment/registration procedures with competent agencies.

12.9 Agree on the continuation of international bond issuance as per the EMTN program in 2019; continue to assign and authorize the BOD to make decision and carry out the procedure for bond issuance as passed in the Resolution No. 03/2019/NQ-DHDCD dated June 22, 2019.

12.10 The BOD may authorize the Chief Executive Officer or other staff members to execute the authorized tasks as above. The AGM agrees and approves all decisions and tasks within its powers to delegate and authorize as above.

13. Passing of the supplement to VPBank's operating licence (Annex 07)

Contents of supplementary licenced activities:

No.	ACTIVITIES
1	Provide commodities derivatives products;
2	Conduct currency swap with foreign financial institutions m international markets to support FX liquidity of VPBank;
3	Conduct currency forward with foreign financial institutions in international markets to prevent and mitigate risk on VPBank' s banking book;

4	Conduct currency forward and currency swap with foreign financial institutions in international markets to prevent and mitigate risk to VPBank' s currency forward and currency swap contracts with eligible domestic credit institutions which have been signed and performed;
5	Conduct currency option with foreign financial institutions in international markets to prevent and mitigate risks to VPBank' s transactions with eligible domestic credit institutions which have been signed and performed;
6	Trade, provide derivatives products concerning FX, interest, currency and other financial asset in domestic and foreign markets
7	Provide consultancy on bond issuing dossier; act as bond issuing agent
8	Assign others as payment agent, act as payment agent

Assign the following tasks to the Board of Directors:

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

14. Passing of revised Charter of VPBank and task delegations to the Board of Directors (Annex 08) as follows:

- ./ Passing of the amendments and supplements to VPBank's Charter (the amendments and the whole Charter) included in the attached Annex 08.
- ./ Delegation for the BOD to decide on issues related to the amendments and supplements to VPBank's Charter in line with point 1 above, including the addition, clarification and revision of the contents and rearrangement of the articles, clauses and points in accordance with legal regulations and actual situation.
- ./ Delegation for the BOD to decide on issues related to the application/ submission for amendments and supplements to VPBank' s charter regarding the two above points to the SBV and relevant authorities.

15. Passing of draft Regulations on the Operation of the Board of Directors (Annex 09)

- ./ Passing of the amendments to the Regulation on the Organization and Operation of the Supervisory Board (the amendments and the entire Regulation) included in the attached Annex 09.
- ./ Delegation for the BOD to decide on issues related to the amendments and supplements to the Regulation on the Organization and Operation of the Supervisory Board as per point 1, including the addition, clarification and revision of the contents and rearrangement of the Articles, clauses and points in accordance with legal regulations and actual situation.
- ./ Delegation for the Supervisory Board to review and decide on the amendments and supplements to the Regulation on the Organization and Operation of the Supervisory Board if necessary to align with actual situation and sustain governance efficiency in managing VPBank's operations during the interval between two AGMs.

16. Passing of draft Regulations on the Operation of the Supervisory Board (Annex 10)

- ./ Passing of the amendments to the Regulation on the Organization and Operation of the Supervisory Board (the amendments and the entire Regulation) included in the attached Annex 10.
- ./ Delegation for the Supervisory Board to decide on issues related to the amendments and

supplements to the Regulation on the Organization and Operation of the Supervisory Board as aforementioned, including the addition, clarification and revision of the contents and rearrangement of the articles, clauses, and points in accordance with legal regulations and actual situation.

./ Delegation for the Supervisory Board to review and decide on the amendments and supplements to the Regulations on the Operation of the Supervisory Board if necessary to align with actual situation during the interval between two AGMs.

17. Passing of draft Corporate Governance Regulation (Annex 11)

./ Passing of the amendments to the Corporate Governance Regulation (the amendments and the entire Regulation) included in the attached Annex 11.

./ Delegation for the BOD to decide on issues related to the amendments and supplements to the Corporate Governance Regulation as aforementioned, including the addition, clarification and revision of the contents and rearrangement of the Articles, clauses and points in accordance with legal regulations and actual situation.

./ Delegation for the BOD to review and decide on the amendments and supplements to the Regulations if necessary to align with actual situation during the interval between two AGMs.

18. Agreeing on number of members of the Board of Directors, Board of Supervisors for 2020-2025 term (Annex 12).”

(source: <https://www.vpbank.com.vn/>)