

**VIETNAM JOINT STOCK COMMERCIAL
BANK FOR INDUSTRY AND TRADE**
**THE SOCIALIST REPUBLIC OF VIETNAM
Independence - Freedom – Happiness**

108 Tran Hung Dao, Hoan Kiem, Hanoi
Tel: 024.39427030; Fax: 024.39421032.
Business Registration Certificate No. 0100111948 as
amended the 11th time on Nov 1, 2018

Hanoi, 23rd April 2019

PROPOSAL

REQUEST FOR APPROVAL OF THE 2018 AUDITED FINANCIAL REPORTS AND AUTHORIZING THE BOARD OF DIRECTORS TO SELECT AN INDEPENDENT AUDITING FIRM TO AUDIT VIETINBANK'S FINANCIAL REPORTS IN 2020

Pursuant to the current regulations of the State and guidance documents of the relevant Ministries and Agencies in finance and accounting sector;

Pursuant to the Charter on Organization and Operation of Vietnam Joint Stock Commercial Bank for Industry and Trade (VietinBank);

Pursuant to the Resolution No. 18/NQ-DHDCD of the General Meeting of Shareholders dated 21 April 2018; Resolution No. 19/NQ-DHDCD of the General Meeting of Shareholders dated 08 December 2018;'

Pursuant to VietinBank's Financial Statements for the year ended 31 December 2018 audited by Ernst & Young Vietnam Ltd.;

Pursuant to the report of the Supervisory Board of VietinBank on the results of evaluation of VietinBank's consolidated financial statements as at 31st December 2018 and for the period from 1st January 2018 to 31st December 2018 of VietinBank;

The Board of Directors of VietinBank hereby respectfully submit to the Annual General Meeting of Shareholders as follows:

Together with the joint effort of the banking sector, VietinBank has managed to overcome all difficulties, strictly followed the guidelines and policies of the Government and the State Bank of Vietnam, and proactively supported the economy while running its business in a sustainable manner. The Bank has been heading towards the objectives of the Plan on restructuring in association with bad debt handling for the period of 2016 – 2020 as approved by the State Bank of Vietnam, met and exceeded the targets set for 2018. Some of the financial indicators of the Bank in 2018 are as below:

In VND billion and %

No.	Indicator	Actual results in 2018	Actual results in 2017	+/- against 2017	+/- % against 2017	Plan
1	Total assets	1,164,435	1,095,061	69,374	6.3%	Growth of 6%-8%
2	Credit exposure*	888,216	837,180	51,035	6.1%	Growth of 8%-9%
3	Mobilized funds from economic entities and residents	825,816	752,935	72,881	9.7%	Growth of 9%-10%
4	NPLs/credit exposure	1.60%	1.13%			< 3%

Proposal seeking for approval of the 2018 Financial Statements and authorization to the BoD to select an independent auditor to audit 2020 Financial Statements

5	Separate profit before tax	6,365	8,350	(1,985)	-23.8%	6,200
6	Consolidated profit before tax	6,730	9,206	(2,476)	-26.9%	6,700

(*): Credit exposure is calculated in accordance with guidance in Official Dispatch No. 1077/NHNN-CSTT dated 13/02/2018

(Source: Audited 2018 & 2017 consolidated and separated financial statements)

The Board of Directors would like to seek for the Annual General Meeting of Shareholders of:

- 1. Approval of the Financial reports** prepared in accordance with Vietnamese Accounting Standards and Accounting Regime applicable to Vietnamese credit institutions as at 31st December 2018 and for the period from 1st January 2018 to 31st December 2018 of VietinBank which have been audited. Authorization to the Board of Directors of VietinBank to adjust the figures of such audited 2018 Financial reports at the request of the State regulators (if any).
- 2. Selection of an independent auditor to audit the Bank's financial reports for the year of 2019**

On 15th December 2011, the SBV issued Circular No. 39/2011/TT-NHNN taking effect from 1st January 2012. The article 6 in Chapter 2 thereof defines the time for selection of independent auditor which is: *prior to the end of each fiscal year, a credit institution or foreign bank's branch shall select an independent auditor in compliance with this circular to audit its financial statements and operation of its internal audit function for the next fiscal year.*

Accordingly, by the end of 2019, VietinBank will have to select an independent auditing firm to audit its financial statements and the operation of the internal control system for the year of 2020. The Board of Directors, therefore, respectfully seek for the Annual General Meeting of Shareholders' consideration and approval of authorizing the Board of Directors to select an independent auditing firm to audit the financial statements and the operation of internal control system of VietinBank for the year of 2020 to ensure the Bank's compliance with provisions of Circular 39/2011/TT-NHNN and current laws.

With respect./.

**PP. THE BOARD OF DIRECTORS
CHAIRMAN**

(Signed and sealed)

Le Duc Tho