

No: /2018/TTr- HDQT

## **PROPOSAL**

### **Re: The allocation of 2017 Fiscal Year's Profit After Tax and the plan of using 2018 fiscal year's Profit After Tax**

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#### **To: Baoviet Holdings Annual General Meeting of Shareholders in 2018**

Pursuant to the Audited Financial Statement in the fiscal year 2017 and the Business Plan of Bao Viet Holdings in 2018;

The Board of Directors ("BOD") of Baoviet Holdings ("BVH") would like to submit to shareholders with the proposal on the allocation of profit after corporate income tax ("PAT") in 2017; the 2018 profit after tax and dividend appropriation plan of BVH as follows:

#### **1. The allocation of PAT in 2017**

- Total PAT in 2017: **1,026,189,329,930 VND**

- Proposed allocation of PAT as follows:

+ Deduction for Investment and Development Fund: **153,929,749,490 VND**, equals to 15% of PAT

+ Appropriation to the social welfare fund: **10,261,983,299 VND**, equals to 1% of PAT.

+ Remuneration of part-time members of BOD: 20 million VND/person/month. (Total actual remuneration of part-time members of BOD is **1,991,885,715 VND**, equals to 0.19% of PAT).

+ Remuneration of part-time Supervisory members: 10 million VND/person/month. (Total actual remuneration of part-time Supervisory members is **269,333,333 VND**; equals to 0.03% of PAT).

Based on 2017 realized profit which was recorded after statutory obligations' fulfilment to the State and shareholders; on the Article 8, Decree No. 53/2016/ND-CP dated 13th June 2016 of the Government; the Article 18, Circular No.28/2016/TT-BLDTBXH dated 01 September 2016 of the the Ministry of Labor, War invalids and Social Affairs and on BVH's charter:

+ Appropriation to bonus and welfare fund for employees: **37,189,672,100 VND**, equals to 3.62% of PAT.

+ Appropriation to bonus fund for managers: **858,353,648 VND**, equals to 0.08% of PAT.

+ Base on 2017 actual business performance and 2016-2020 development strategy, dividend payouts ratio is proposed at 10% per par value of share (based on expected chartered capital of 7,008,864,340,000 VND): **700,886,434,000 VND**, equals to 68.3% of PAT.

- Retained earnings: **120,810,918,345 VND**, equals to 11.77% PAT.

## **2. The plan of using 2018 fiscal year's Profit After Tax**

According to the 2016 – 2020 Development Strategy of BaoViet Finance – Insurance Group approved by the 2016 AGM, in the period of 2016 – 2020, BVH shall implement the dividend policy of at least 50% of PAT to re-invest in business development, increasing the accumulated values for shareholders;

Pursuant to the business plan in the fiscal year 2018 of BVH,

BOD plans to allocate PAT in 2018 as follows:

- 2018 PAT is projected to be **1,050 billion VND**. Ratio of PAT over chartered capital (7,008.86 billion VND) is expected to be 15.0%.

- 2018 PAT is expected to be allocated as follows:

+ Dividend payout ratio for 2018: from 10% per par value of share (*assuming interest rate for life insurance is 4%*); actual dividend ratio will be proposed to 2018 AGM based on the BVH's actual business performance, its financial situation and investment plan in the next phase.

+ Estimated appropriation to Investment and Development fund: maximum 15% of PAT.

+ Estimated appropriation to social welfare fund of BVH: maximum 1% of PAT.

+ Remuneration of part-time members of BOD: 20 million VND/person/month.

+ Remuneration of part-time Supervisory members: 10 million VND/person/month.

+ Appropriation for employees' and managers' awards or welfares: would be based on 2018 realized profit after statutory obligations' fulfilment to the State and shareholders; on the Article 8, Decree No. 53/2016/ND-CP of the Government; the Article 18, Circular No. 28/2016/TT-BLDTBXH, of the Ministry of Labor, War invalids and Social Affairs and on BVH's Charter.

Above are proposal on the Allocation of 2017 PAT, plans for using 2018 PAT of Baoviet Holdings. The Board of Directors respectfully submits to the 2018 AGM for approval.

Respectfully submitted./.

*Achieves:*

- As above;
- BOD; SB;
- CEO;
- *Retained at:* Admin, General Secretary Dept.

**ON BEHALF OF THE BOD  
CHAIRMAN**

*(signed & sealed)*

**Dao Dinh Thi**