

No.:1726/SGB-HDQT-TTr

HCM city, April 10, 2025

Share issuance plan to increase capital from
shareholders' equity

To: Shareholders of Saigon Bank for Industry and Trade

Pursuant to:

- The Law on Credit Institutions No. 32/2024/QH15 (amended and supplemented);*
- The Law on Enterprises No. 59/2020/QH14 (amended and supplemented);*
- The Securities Law No. 54/2019/QH14 (amended and supplemented);*
- Decree No. 155/2020/ND-CP dated December 31, 2020, by the Government, detailing the implementation of several provisions of the Securities Law;*
- Circular No. 118/2020/TT-BTC dated December 31, 2020, by the Ministry of Finance, guiding content related to the sale, issuance of securities, public offering, share buyback, and the registration of public companies;*
- Circular No. 50/2018/TT-NHNN dated December 31, 2018, by the State Bank of Vietnam on the approval process for certain changes in the operations of commercial banks and branches of foreign banks (amended and supplemented);*
- The Charter of Saigon Bank for Industry and Trade*

The Board of Directors (BOD) of Saigon Bank for Industry and Trade (SAIGONBANK) hereby presents to the 2025 Annual General Meeting of Shareholders (AGM) the share issuance plan to increase capital from Shareholders' Equity as follows:

I. Necessity of Increasing Capital

- On June 8, 2022, the Prime Minister approved Decision No. 689/QĐ-TTĐ regarding the restructuring of the credit institution system associated with handling bad debts in the 2021-2025 period, which required:

"2. Specific objectives: ... b) Credit institutions must take measures to ensure their charter capital in 2025 as follows: ... For commercial banks: (i) Group of large domestic commercial banks with financial potential, competitive capacity, and scale: minimum charter capital of VND 15.000 billion; (ii) Group of small and medium-sized domestic commercial banks and foreign-invested commercial banks: minimum charter capital of VND 5.000 billion; ..."

- According to the restructuring plan associated with the non-performing loan resolution for the 2021-2025 period, which was approved by the BOD following the

directives of the State Bank of Vietnam (SBV), SAIGONBANK has established goals and directions for restructuring until 2025:

“2. Specific objectives, directions for restructuring SAIGONBANK until 2025:

- Continue restructuring SAIGONBANK's operations in areas such as enhancing financial capacity and credit quality; improving management, operations, transparency, and accountability to ensure that SAIGONBANK operates safely and effectively; increasing charter capital, ensuring the minimum charter capital of VND 5.000 billion in compliance with regulations, to be completed by the end of 2025.”

- Enhance financial capacity to meet the requirements of Circular No. 41/2016/TT-NHNN (amended and supplemented) and Circular No. 13/2018/TT-NHNN issued by the SBV and improve SAIGONBANK's operations towards safer and more efficient performance according to the Basel Committee's capital adequacy regulations (Basel II and relevant updates).

- Increase the scale of operations and competitiveness; progressively meet the SBV's requirements regarding the commercial banks.

- Improve the ability to meet adequacy ratio requirements.

- Increase total credit outstanding balances, expanding the customer base.

- Increase medium- and long-term capital of SAIGONBANK, thereby enhancing its ability to meet the maximum short-term capital-to-medium-long-term lending ratio required by the SBV (according to Circular No. 22/2019/TT-NHNN on adequacy regulations for commercial banks, foreign bank branches and related amendments).

- Increase capital to invest in business solutions, banking technology, and risk management.

II. Plan to increase charter capital

SAIGONBANK plans to issue shares to increase its capital from Shareholders' Equity, with the specific details as follows:

- Share Type: Common Shares;

- Par Value: VND 10.000 per share (ten thousand VND per share);

- Number of shares currently in circulation: 338.799.141 shares;

- Number of treasury shares: None

- Pre-issue charter capital: VND 3.387.991.410.000

- Number of shares to be issued 33.879.914 shares

- Total expected issuance at par value: VND 338.799.141.000;

- Expected post-issue charter capital: VND 3.726.790.551.000

- Sources to increase charter capital:

SAIGONBANK plans to issue shares to increase capital from shareholders' equity, based on its audited consolidated financial statements. The issuance rate will be 10%, with a total value of VND 338.799 billion. Source of funds for the issuance:

No.	Items	Data as at 31/12/2024 according to the audited separate financial statement	Data as at 31/12/2024 according to the audited consolidated financial statement	Amount used to increase capital
1	Charter capital supplementary reserve	94.055.786.704	94.055.786.704	94.055.786.704
2	Shareholders' Equity - Share Premium	715.830.000	715.830.000	715.830.000
3	Shareholders' Equity - Retained profits of prior years	290.167.243.084	290.461.043.054	
	<i>Profit used for issuing shares to increase charter capital from shareholders' equity</i>	235.243.864.654	235.210.493.734	235.243.864.654
3.1	- 2024 undistributed profit	24.244.148.080	24.210.777.160	
	- Retained profit	210.999.716.574	210.999.716.574	
	<i>Reserves appropriated from 2024 profit after tax</i>	15.833.505.302	15.833.505.302	
3.2	- Charter capital supplementary reserve (10%)	7.916.752.651	7.916.752.651	
	- Financial reserve (10%)	7.916.752.651	7.916.752.651	
3.3	<i>The 2024 remaining undistributed profit after issuing shares to increase the share capital from the shareholders' equity, after statutory reserves.</i>	39.089.873.128	39.417.044.018	
4	Other Funds			
4.1	Financial Reserve	307.790.798.645	307.790.798.645	
4.2	Development Investment Fund	8.783.659.642	8.817.030.562	8.783.659.642
Amount used to increase capital from Shareholders' Equity				338.799.141.000

- **Method of Capital increase:** share issuance to increase charter capital from shareholders' equity.

- **Targeted recipients:** Current shareholders listed in the shareholder registry as at the record date who are entitled to receive additional shares from Shareholders' Equity increase.

- **Subscription ratio:** 10%. Therefore, a shareholder holding 100 shares at the record date will receive 10 additional shares.

- **Implementation time:** Expected in 2025, after approval from the 2025 AGM and completion of other legal procedures. After necessary procedures with relevant state authorities, SAIGONBANK's BOD will decide and announce the record date for shareholders to receive additional shares from capital increase.

- **Treatment of fractional shares:** Fractional shares issued to existing shareholders will be rounded down to the nearest whole number, decimal parts to be omitted.

For example: if a shareholder holds 115 shares, they will receive 11,5 shares, rounded down to 11 shares.

- Expected changes to the Ownership Structure and Per of Shareholders Holding 5% or More; List of Foreign Investors (Appendix 1 attached).

III. Plan for the Use of funds from the share issuance to increase charter capital

The increased charter capital will be used in SAIGONBANK's business with the principle of ensuring safety, effectiveness and maximum benefits for shareholders. It is planned to be used in the following areas:

- Investment in infrastructure and technology, investment in digital transformation IT infrastructure: technology and fixed assets.

- Gradually meet the required charter capital as per Circular No. 32/2024/TT-NHNN dated June 30, 2024, by the SBV on the commercial banks.

- Expand credit activities, capital business, and other activities of SAIGONBANK.

The BOD is responsible for balancing and allocating the funds from the capital increase to these purposes rationally, ensuring efficiency and benefits for the Bank and its shareholders.

IV. Capital management capability after the increase in charter capital

- The increase in charter capital requires corresponding improvements in management, administration, and supervision at SAIGONBANK.

- As of now, SAIGONBANK BOD consists of 7 members who are individuals with extensive experience in public administration, corporate management, and banking finance, with a strategic vision. All issues are thoroughly discussed and decided by majority vote, ensuring stability and sustainability in SAIGONBANK's operations. The BOD plays a role in building overall strategic direction and long-term operational plans for SAIGONBANK and directs the construction of business performance indicators to be presented to the General Meeting of Shareholders (GMS) for approval.

- The Board of Management (BOM) of SAIGONBANK includes individuals with expertise and experience in management, capable of implementing the general strategy and goals set by the GMS and BOD. The BOM is responsible for turning the general strategy and targets into concrete plans and business models; advising the BOD on strategic and policy issues, and managing SAIGONBANK's operation.

- SAIGONBANK has established a governance system according to international standards, in accordance with the capital adequacy requirements of the Basel Committee (Basel II and updates).

- The Board of Supervisors (BOS) of SAIGONBANK currently has five members, including four specialists. The compliance control is carried out according to regulations, and the team in charge of control and internal audit has been strengthened both in quantity and quality.

- SAIGONBANK's information technology system is modern, with computerized management processes and a network connecting the entire system to meet high management requirements. This is also important in helping SAIGONBANK increase its ability to provide modern banking products and services to customers.

V. Projected business operations plan after Capital Increase

After increasing the charter capital and implementing the share issuance plan as stated above, SAIGONBANK will continue to grow in terms of operational scale (Appendix 2 attached).

VI. Proposals submitted to the GMS

SAIGONBANK's BOD respectfully submits to the 2025 AGM for review and approval:

1. Approval of the "Share issuance plan to Increase Capital from Shareholders' Equity" for submission to the competent state authorities.

2. To facilitate the "Share issuance plan to Increase Capital from Shareholders' Equity" as mentioned above, the BOD respectfully submits to the GMS to authorize the BOD to carry out and approve their decisions for the following:

- Supplement/amend the "Share issuance plan to Increase Capital from Shareholders' Equity" according to the requirements of the competent state authorities legally.

- Implement necessary procedures related to share issuance to increase charter capital, including registering share issuance with the SBV, the State Securities Commission, and other authorities.

- Decide to sign documents related to the capital increase.

- Decide on the specific capital increase based on the approval from the competent state authorities as per legal regulations and the actual issuance results.

- Decide on the final registration date to finalize the shareholder list for exercising rights and proceed with the share issuance after receiving approval from the competent state authorities.

- The BOD is fully authorized to carry out the necessary procedures to amend the business license and business registration with the competent state authorities after completing the capital increase plan.

- Amend the provisions related to charter capital, shares, and stocks in SAIGONBANK's Charter after the completed issuance.

- Flexibly adjust and allocate the capital for the purposes stated in the share issuance plan to increase charter capital, in line with the real situation and legal compliance.

- Decide on other related matters to complete the share issuance process to increase charter capital.

Regards./.



Recipients:

- As above;
- Banking Supervision Agency;
- Board of Director;
- Board of supervisors
- General director;
- HR and Administration Dept, BOD office (filing).

**FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS
CHAIRMAN**



VU QUANG LAM



APPENDIX 1

1. List of Shareholders and their ownership percentage for shareholders holding 5% or more

No	Shareholders' name	Shareholder code	Address	Legal Representative Information	Current situation (Charter capital: 3.387,991 billion VND)			Expected situation after capital increase (Charter capital: 3.726,79 billion VND)			
					Number of shares owned as at 25/03/2025	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital	Shares	Number of shares owned	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital
1	Ho Chi Minh City Party Committee Office	2079-QĐ/TU	58 Truong Dinh street, Vo Thi Sau Ward, District 3, HCM City	- Mr. Pham Hong Son - Identity No: 079081005676 - Date of issue: 06/12/2021 - Place of issue: Police Department for administrative management of social order	61.610.533	18,18%	18,18%	6.161.053,30 (rounded to 6.161.053 shares)	67.771.586	18,18%	18,18%
2	Phu Nhuan Construction and Housing Trading Company limited	0300518459	99 Nguyen Van Troi street, Ward 11, Phu Nhuan District, HCM City	- Mr. Pham Van Thang - Identity No: 072069007975 - Date of issue: 13/01/2022 - Place of issue: Police Department for administrative management of social order	56.375.000	16,64%	16,64%	5.637.500	62.012.500	16,64%	16,64%

No	Shareholders' name	Shareholder code	Address	Legal Representative Information	Current situation (Charter capital: 3.387,991 billion VND)			Expected situation after capital increase (Charter capital: 3.726,79 billion VND)			
					Number of shares owned as at 25/03/2025	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital	Shares	Number of shares owned	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital
3	Ky Hoa Tourist Trading one member limited liability Company	0300516370	238 3/2 street, Ward 12, District 10, HCM City	- Mrs. Nguyen Kim Oanh - Identity No: 079179006616 - Date of issue: 09/05/2023 - Place of issue: Police Department for administrative management of social order	55.400.943	16,35%	16,35%	5.540.094,30 (rounded to 5.540.094 shares)	60.941.037	16,35%	16,35%
4	Ho Chi Minh City Petroleum Company Limited	0300507707	27 Nguyen Thong street, Ward 7, District 3, HCM City	- Mr. Pham Van Thoai - Identity No: 079064008984 - Date of issue: 27/12/2023 - Place of issue: Police Department for administrative management of social order	47.708.053	14,08%	14,08%	4.770.805,30 (rounded to 4.770.805 shares)	52.478.858	14,08%	14,08%
5	Phat Dai cat Joint Stock company	0317124438	198 Nguyen Thi Minh Khai Street, Vo Thi Sau Ward, District 3, HCM City	- Mr. Le Huynh Gia Hoang - Identity No: 079088005080 - Date of issue: 13/09/2018 - Place of issue: Police Department of Residence Registration and Management and National Population Database	33.502.602	9,89%	9,89%	3.350.260,20 (rounded to 3.350.260 shares)	36.852.862	9,89%	9,89%



II. Shareholders and related persons with share ownership ratio of 15% or more

No	Shareholder name	Name of person related to shareholder	Shareholder code	Legal Representative Information	Address	Current situation			Expected situation after capital increase			
						Number of shares owned as at 25/03/2025	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital	Shares	Number of shares owned	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital
1	Ho Chi Minh City Party Committee Office		2079-QĐ/TU	- Mr. Pham Hong Son - Identity No: 079081005676 - Date of issue: 06/12/2021 - Place of issue: Police Department for administrative management of social order	58 Truong Dinh street, Vo Thi Sau Ward, District 3, HCM City	61.610.533	18,18%	18,18%	6.161.053,30 (rounded to 6.161.053 shares)	67.771.586	18,18%	18,18%
		Phu Nhuan Construction and Housing Trading Company limited	0300518459	- Mr. Pham Van Thang - Identity No: 072069007975 - Date of issue: 13/01/2022 - Place of issue: Police Department for administrative management of social order	99 Nguyen Van Troi street, Ward 11, Phu Nhuan District, HCM City	56.375.000	16,64%	16,64%	5.637.500	62.012.500	16,64%	16,64%
		Ky Hoa Tourist Trading one member limited liability Company	0300516370	- Mrs. Nguyen Kim Oanh - Identity No: 079179006616 - Date of issue: 09/05/2023 - Place of issue: Police Department for administrative management of social order	238 3/2 street, Ward 12, District 10, HCM City	55.400.943	16,35%	16,35%	5.540.094,30 (rounded to 5.540.094 shares)	60.941.037	16,35%	16,35%

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		Ho Chi Minh City Petroleum Company Limited	0300507707	- Mr. Pham Van Thoi - Identity No: 079064008984 - Date of issue: 27/12/2023 - Place of issue: Police Department for administrative management of social order	27 Nguyen Thong street, Ward 7, District 3, HCM City	47.708.053	14,08%	14,08%	4.770.805,30 (rounded to 4.770.805 shares)	52.478.858	14,08%	14,08%
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III. Information on total shareholding of foreign investors

Shareholders	Current situation			Expected situation after capital increase			
	Number of shares owned as at 25/03/2025	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital	Shares	Number of shares owned	Ownership ratio on charter capital	Ownership Ratio on Voting Share Capital
Foreign shareholders	38.618.967	11,40%	11,40%	3.861.896	42.480.863	11,40%	11,40%

IV. Shareholders as BOD, BOS, BOM

Shareholders name	Current situation		Expected situation after capital increase		
	Number of shares owned as at 25/03/2025	Ownership ratio on charter capital	Shares	Number of shares owned	Ownership ratio on charter capital
Board of supervisors					
Tran The Truyen	3.666	0,0011%	366,60 (rounded to 366 shares)	4.032	0,0011%
Nguyen Ngoc Dang Khoa	1.100	0,0003%	110	1.210	0,0003%
Vu Quynh Mai	17.084	0,0050%	1.708,40 (rounded to 1.708 shares)	18.792	0,0050%
Nguyen Dao Phuong Linh	193	0,0001%	19,30 (rounded to 19 shares)	212	0,0001%
General Director					



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Appendix 02



SAIGONBANK's scale of operations after increasing charter capital

Unit: VND billion

Items	2024	2025 plan	Increase	
			Absolute value	Growth rate
1. Total assets	33.260	34.900	1.640	5%
2. Mobilized Funds	28.641	30.100	1.459	5%
3. Lending	22.495	24.700	2.205	10%
4. International settlement	284	300	16	
5. Items				
Debt group 3-5 ratio	2,20%	According to the regulations of the State Bank of Viet Nam		
6. Profit before tax	99,34	300	201	
7. Profit after tax	79,17	240	161	
8 Return on equity/average equity	1,94%	6%		