



HCMC, day... month year 2025

DRAFT

REPORT

**Operation in 2024 and Business orientation in 2025
of the Board of Directors**

I. Business performance in 2024**1. Personnel of the Board of Directors (BOD) in 2024**

1.1. From the beginning of 2024 to November 01, 2024, the BOD of the office term 2019-2024 included five (05) members as below:

- | | |
|-----------------------------|--------------------|
| - Mr.Vu Quang Lam | Chairman |
| - Mrs.Tran Thi Phuong Khanh | Member |
| - Mr.Tran Thanh Giang | Member |
| - Mr.Tran Quoc Thanh | Member |
| - Mrs. Pham Thi Kim Le | Independent Member |

1.2. On November 01, 2024, General Meeting of Shareholders (GMS) of Sai Gon Bank for Industry and Trade (SAIGONBANK) voted personnel of the BOD for the office term 2024 -2029 as below:

- | | |
|----------------------------|--------------------|
| - Mr.Vu Quang Lam | Chairman |
| Mr.Nguyen Thanh Long | Member |
| - Mr.Tran Thanh Giang | Member |
| - Mrs.Ton Thi Nhat Giang | Member |
| - Mr.Pham Hoai Nam | Member |
| - Mrs.Phan Thi Bich Nguyet | Independent Member |
| - Mrs.Nguyen Thi Hong Thuy | Independent Member |

The BOD of the office term 2024-2029 through the first meeting on November 01, 2024, voted Mr.Vu Quang Lam – the BOD member to the position of the BOD Chairman.

2. Outcomes of performing key targets of 2024 assigned by the GMS:

As at 31/12/2024, performance outcomes relating to key targets of SAIGONBANK upon Resolutions of the GMS in 2024 were as below:

- Total assets: VND 33.260,40 billion, reaching 103% of the planned targets of 2024.
- Mobilized funds: VND 28.641,12 billion, reaching 105% of the planned targets of 2024.
- Lending outstanding balance: VND 22.494,54 billion, reaching 98% of the planned targets of 2024.
- Debt group 3-5 ratio was 2,20%, in line with the regulations of the State Bank of Vietnam (SBV).
- International settlement: USD 284,26 million, reaching 118% of the planned targets of 2024.
- Profit before tax: VND 99,34 billion, reaching 27% of the planned targets of 2024.

3. Results of issue handling within the authority of the GMS between the AGM during 2024-2025:

- Selecting the auditing company to review the semi-annual financial reports, to audit the financial reports of 2025 and operation of SAIGONBANK's internal control system: The BOD chose MOORE AISC Auditing and Informatics Services Company Limited as auditing company for the financial reports of 2025 for SAIGONBANK, upon the Resolutions of Shareholders' AGM in 2024.

- Appropriating remaining funds: As stated in the Resolution No. 1772/SGB-DHDCCD-NQ dated 25/04/2024, the GMS approved the plan of profit distribution of 2023 and assigned the BOD to decide on appropriating remaining funds. Based on the determined decision of the GMS, the BOD issued the Resolution No. 4256/SGB-HDQT-NQ dated 20/09/2024 approving the plan of profit distribution of 2023 after appropriating for charter capital supplementary reserve, financial reserve, in particular for the below:

(1) Setting aside and reserving fund for employees' welfare and bonus: VND 57.552.150.714. In which:

+ Fund of bonus: VND 20.000.000.000

+ Fund of welfare and other benefit: VND 37.552.150.714

(2) Setting aside and reserving reward fund for the managers' bonus: VND 894.937.500

- Approving the development strategy of SAIGONBANK for the period until 2025, oriented vision to 2030 (including a comprehensive financial strategy according to the Decision No. 34/QĐ-NHNN dated 07/01/2019 and No.1309/QĐ-NHNN dated 24/07/2020 of the SBV: Based on the determined decision of the GMS, the BOD issued the Resolution No. 3621/SGB-HDQT-NQ dated 14/8/2024 approving the issuance of "The strategy to develop SAIGONBANK for the period until 2025 (including a comprehensive financial strategy) pursuant to the Decision No. 34/QĐ-NHNN dated 07/01/2019 and No. 1309/QĐ-NHNN dated 24/07/2020 of SBV.

- Others: not incurred.

4. Evaluation on the outcomes of governance activities:

- The BOD has always managed the business operation in close alignment with the directives, policies of the Government and SBV from time to time. Business scale grew in line with the orientation and targets of SBV, assuring a safe and sustainable growth which is timely responsive to the economic influences, in line with the real scenarios in practice.

- The year 2024 continued to be a year full of difficulties and challenges for banking system in general and for SAIGONBANK in particular. The BOD has directed the BOM to manage SAIGONBANK's business to make sure its security, stability, strict compliance to the law, regulations of SBV; observation to policies on limits, adequacy ratios applicable to banking sector...

- Strictly comply with the regulations of the law, and the directives of the State Bank of Vietnam regarding credit granting activities; always organize credit growth based on strict adherence to the credit growth targets for 2024 set by the State Bank of Vietnam; rigorously follow the regulations on safety ratios and credit limits for customer.

- Tightly controlling and restricting to grant credit to sectors of potential risk exposures; prioritizing the focus of fund allocation to sectors of manufacturing, trading, industries of privilege, momentum of economic development upon the directives from

the Government and SBV on the basis of secured lending capital and relevant legal compliance, supporting social economic recovery and development.

- Implementing the directives from the Government and SBV such as:
 - + Directive No. 01/CT-NHNN dated 15/01/2024 of SBV on organizing and executing the key missions of banking sector in 2024.
 - + Directive No. 02/CT-NHNN dated 15/01/2024 of SBV on promoting digital transformation and assurance of information security and safety in banking activities.
 - + Deploying, reviewing, consolidating the internal policies and procedures of SAIGONBANK, to make sure its compliance with SBV, Law of credit institution No. 32/2024/QH15, newly issued circulars and other relating regulations.
- Over the course of 2024, the BOD has always directed, closely monitored, and assessed the BOM's execution of the AGM Resolutions in 2024. The BOD timely revised, updated, supplemented regulations per prevailing law. In 2024, the BOD issued certain Resolutions, Decisions to drive the business of SAIGONBANK including: allocating, appointing, reappointing, dismissing the managerial officers; consolidating the personnel for Risk Committee; issuing the development strategy of SAIGONBANK; issuing regulations of lending, guaranteeing, categorizing the assets, controlling liquidity; issuing regulations on internal credit rating system.
- Completing the construction of the Restructuring Plan associated with bad debt settlement for the period 2021-2025 of SAIGONBANK.
- Completing the execution of the Plan for share issuances at the rate 10%, making charter capital increase from VND 3.080 billion to VND 3.387,99 billion.
- Continuing to improve the quality of risk management through the execution of Circular No. 41/2016/TT-NHNN dated 30/12/2016 (revised, supplemented) and Circular No.13/2018/TT-NHNN dated 18/05/2018 imposed by the SBV.
- Instructing and overseeing the BOM's operation was done by the BOD as defined in SAIGONBANK's Charter. The BOD has managed, directed the General Director through their Resolutions to resolve work within the scope of the BOD's authorization.

II. Business orientation in 2025

Executive agenda to fulfil the business plan of 2025:

1. Business operation

- Efficiently deploying the proposal of restructuring loans together with bad debt handling for the period 2021-2025 of SAIGONBANK.
- Growing credit in line with the capacity of risk management, ability of attracting funds, assuring the liquidity; strictly complying to the room of growing credit assigned by the SBV.
- Synchronously deploying the remedies for debt collection to raise the Bank's income; controlling the NPL on the balance sheet, NPL items sold to VAMC and loan items already under diverse loan categorization means per regulations of the SBV.
- Intensively fostering informatics technology employment in banking and cashless payment tendency oriented by the Government and the SBV; Enhancing the assurance of security and safe banking; taking steps to digitally transform the bank business according to an appropriate roadmap.

2. Executive management activities

- Renovating solutions of instructing and managing the business, concentrating on a business scale growth which must be secure, efficient, compliant to adequacy ratios per regulations.

- Continuing to improve the quality of risk management on the basis of deploying Circular No. 41/2016/TT-NHNN dated 30/12/2016 (revised, supplemented) and Circular No.13/2018/TT-NHNN dated 18/05/2018 imposed by the SBV.

- Continuing to consolidate the capacity of risk management, early risk warnings, employing advanced models, technologies for risk management in accordance with the reality and prevailing legal framework.

- Strengthening the work of internal inspection and audit; monitoring the outcomes of handling post-audit and supervision recommendations; and remotely monitoring affiliated branches of SAIGONBANK's entire network.

- Strictly observing the laws and regulations of the SBV in banking and monetary sector.

- Continuing to carry out multiple activities of public relation, brand promotion, deploying cultural, social, welfare activities.

- Proactively following up with the monetary market scenarios to apply appropriate measures of executive management in close alignment with direction and orientation of the Government and SBV.

The aforementioned narration is the report on business performance in 2024 and the proposal in 2025 of SAIGONBANK BOD, the BOD has submitted to the GMS for due consideration and opinion in order that the executive responsibility of controlling and management shall be improved on an ongoing basis, making sure the Resolutions defined by the GMS to be well executed, contributing to the more and more secured, efficient and sustainable development of SAIGONBANK.

Regards./.

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

Recipients:

- SAIGONBANK's shareholders;
- The Banking Inspection and Supervision Agency;
- Board of Directors;
- Board of Supervisors;
- Board of Management;
- HR and Administration Dept, BOD office (filing)

VU QUANG LAM