**BVB122028: Board Decision**

On December 27, 2023, Viet Capital Bank announced Decision No. 109/23/QD-HDQT on the public offering of bonds to increase Tier 2 Capital in 2024-2025 as follows:

Article 1. Approve the plan on the public offering of bonds to increase Tier 2 Capital in 2024-2025, with the following main contents:

1. Bond name: BVB bonds issued to the public in 2024 - 2025
2. Bond type: Bonds that are non-convertible, not accompanied by warrants and not secured by collateral, are subordinated debts, and satisfy the conditions to be considered as Tier 2 capital in accordance with the current provisions of law.
3. Par value: VND 100,000/bond
4. Issuance price: VND 100,000/bond
5. The expected total number of bonds to be issued, the total value of the bonds to be issued, and the number of issuance rounds are as follows:

* Total number of bonds to be issued: Up to 56,000,000 Bonds
* Total issuance value (calculated by par value): VND 5,600,000,000,000 at maximum
* Number of issuance rounds: Expected to be 6 rounds

Expected rounds of issuance are as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| Round | Number of offered bonds | Total value of bonds  (Billion VND) | Expected issuance time |
| Round 1 | 15,000,000 | 1,500 | Q1/2024 |
| Round 2 | 7,000,000 | 700 | Q2/2024 - Q3/2024 |
| Round 3 | 6,000,000 | 600 | Q3/2024 - Q4/2024 |
| Round 4 | 15,000,000 | 1,500 | Q1/2025 - Q2/2025 |
| Round 5 | 7,000,000 | 700 | Q2/2025 - Q3/2025 |
| Round 6 | 6,000,000 | 600 | Q3/2025 - Q4/2025 |

In case bonds are not fully issued in each round, the remaining bonds will be transferred to the next round.

The General Manager or the person authorized by the General Manager decides the issuance time, adjusts the number of issuance rounds, adjusts the quantity issued, and the time of each issuance (if any) based on the market's consumption capacity, ensuring not to exceed the planned total number of issued bonds.

6. Interest rate: Up to 8.0%/year

7. Term: Up to 08 years from the date of issuance

8. Issuance method: Sell directly through branches, transaction offices of BVBank, and/or through issuing agents.

9. Repurchase bonds before maturity:

* BVBank has the right to repurchase a maximum of 100% of the issued bond from the Repurchase Rights Exercise Date or on a different repurchase date. Accordingly, the Bondholders are obligated to sell all Bonds back to BVBank and receive 100% of the principal amount of the Bonds and accrued unpaid interest.
* Repurchase Rights Exercise Date: after 12 months from the issue date

10. Interest payment term: Periodically once a year.

11. Payment method of bond principal and interest:

* Principal is lump-sum paid at maturity or on the repurchase date before maturity according to regulations.
* Interest is paid in arrears, once annually.

1. Centralized registration and listing of bonds:

Bonds offered by BVBank to the public will be centrally registered at the Vietnam Securities Depository and Clearing Corporation (VSDC) and listed on the trading system of the Hanoi Stock Exchange after the end of the offering.

1. Capital use plan:

|  |  |  |  |
| --- | --- | --- | --- |
| The issuance | Purposes of using capital | Amount (Billion VND) | Progress of capital use |
| 1 | Supplementing capital for mid to long-term loans for customers. | 1,500 | From Q2/2024 to Q3/2024 |
| 2 | Supplementing capital for mid to long-term loans for customers. | 700 | From Q3/2024 to Q4/2024 |
| 3 | Supplementing capital for mid to long-term loans for customers. | 600 | From Q1/2025 to Q2/2025 |
| 4 | Supplementing capital for mid to long-term loans for customers. | 1,500 | From Q2/2025 to Q3/2025 |
| 5 | Supplementing capital for mid to long-term loans for customers. | 700 | From Q3/2025 to Q4/2025 |
| 6 | Supplementing capital for mid to long-term loans for customers. | 600 | From Q4/2025 to Q1/2026 |
| Total | | 5,600 |  |

The actual amount and time of disbursement to customers depends on the successfully issued volume of bonds and the lending progress implemented by the General Manager or the person authorized by the General Manager, according to BVBank's needs.

1. Repayment plan for principal and interest from the bond issuance:

* Expected plan for interest payment

After deducting expenses, interest earned from the areas that BVBank plans to disburse to using the capital from the issuance of Bonds and other lawful sources of income will be used to pay Interest to investors provided that the payment does not lead to a loss in business results in the year of BVBank.

* Expected plan for principal payment

BVBank will use the money source from the collection of principal/interest of the loans financed by the bond issuance capital and other mobilized capital, self-accumulated capital, profit from business activities and financial potential of BVBank to pay the Principal at maturity or redeem the Bonds before maturity

1. Other details and specific plans: According to Appendix 01 attached to this Report.

Article 2. Assign the General Manager or the person authorized by the General Manager to carry out the following tasks based on Article 1 of this Decision:

* Choose an appropriate time to implement the issuance plan and carry out related tasks to ensure compliance with legal regulations, BVBank's regulations, and the approved contents by the Board of Directors.
* Use the proceeds from the offering to ensure the interests of BVBank, the Bond investors and in accordance with the law;
* Sign Contracts, agreements and other documents related to the issuance in accordance with the approval of the Board of Directors in this Decision and the provisions of law;
* Execute centralized bond registration at VSDC and list the bonds on the trading system of Hanoi Stock Exchange after the completion of each offering round.
* Carry out other tasks related to the issuance of bonds to the public in accordance with legal regulations and BVBank's provisions.

Article 3. This Decision takes effect from December 29, 2023. The General Manager, the Executive Board, relevant units and individuals of Viet Capital Bank are responsible for implementing this Decision.