**MBS: Board Resolution**

On May 15, 2024, MB Securities Joint Stock Company announced Resolution No. 38/NQ-MBS-HDQT on implementing the plan to issue rights to purchase shares to existing shareholders to increase charter capital, as follows:

Article 1: Approve implementation of the plan to issue rights to purchase shares to existing shareholders to increase charter capital according to Annual General Mandate 2024 No. 01/NQ-MBS-DHDCD dated March 28, 2024 of MB Securities Joint Stock Company, specifically as follows:

* Name of Issuer: MB Securities Joint Stock Company
* Share name: Shares of MB Securities Joint Stock Company
* Securities code: MBS
* Share type: Common share
* Par value: VND 10,000/ share
* Number of shares before issuance: 437,669,993 shares
* Number of outstanding shares before issuance: 437,639,552 shares
* Number of treasury shares as of March 31, 2024: 30,441 shares
* Number of additional offered shares: 109,417,498 common shares, equivalent to 25% of the number of shares before issuance.
* Total offering value at par value: VND 1,094,174,980,000
* Eligible buyers: Existing shareholders on the record date for the list of shareholders to exercise the rights to purchase additional issued shares.
* Rights exercise rate: 4:1 (shareholders owning 1 share will receive 1 right, and for 4 rights, they are entitled to purchase 1 new share).
* Rounding principle: For fractional shares (if any) arising when shareholders exercise their rights, to ensure the number of issued shares does not exceed the number offered, the number of shares that shareholders are entitled to purchase will be rounded down to the unit.
* Transfer restriction conditions: The number of additional shares issued to existing shareholders is transferable.
* Transfer the right to purchase: Existing shareholders in the list of the shareholders as of the record date, who are allocated the right to purchase shares, have the right to transfer their purchase rights to other parties within the specified period and are entitled to transfer once. Both the transferor and the transferee will mutually agree on the transfer price and payment.
* Principle of determining the issuance price for existing shareholders: For shares of the Company offered to existing shareholders, due to the priority nature of the distribution target group, and based on the share market situation, capital utilization needs, market value, and book value of the shares, as well as the basis for analyzing price dilution, the offering price for shares to existing shareholders is determined by the Company to be VND 10,000 per share.
* Issuance price: VND 10,000/share
* Expected proceeds: VND 1,094,174,980,000
* Expected time of the offering: In 2024, after being issued the Certificate of registration for additional public offering by the State Securities Commission.
* Method for handling the remaining undistributed shares:

The undistributed shares include:

1. Number of remaining shares due to shareholders not exercising their purchase rights;
2. Number of fractional shares arising from rounding down when calculating the shares to be purchased by existing shareholders;
3. The discrepancy in the number of shares between the total number of shares applied for issuance (109,417,498 shares) and the actual number of shares issued with the 4:1 rights exercise rate;

The General Meeting of Shareholders authorized the Board of Directors to decide to offer these remaining shares to other investors with an offering price of VND 10,000 per share, equal to the offering price for existing shareholders.

The General Meeting of Shareholders approved the criteria for selecting other investors to offer the undistributed shares, and at the same time authorized the Board of Directors to search and select the eligible investors as follows:

Criteria for selecting investors to offer the remaining undistributed shares:

* Domestic and foreign organizations, individuals who have expressed interest, desire, and have sufficient financial capacity to invest in shares of MBS.
* Investors who have the capability to contribute to the development of MBS.
* Investors have no business activities that affect the benefits of MBS.

The remaining undistributed shares which is offered to other parties according to the Board Decision will be subject to transfer restrictions for a period of 01 year from the end date of the offering.

The distribution of unsold shares to other investors must comply with the conditions stipulated in the Law on Enterprise 2020, Law on Securities 2019, Decree No. 155/2020/ND-CP, and related legal regulations, including but not limited to the following conditions:

* Comply with the provisions of Clause 2, Article 195 of the Law on Enterprise 2020: “Subsidiaries are not allowed to invest in buying shares and contribute capital to the Holding Company. Subsidiaries of the same Holding Company are not allowed to concurrently contribute capital and purchase shares for cross-ownership.”
* Ensure the conditions for offering as stipulated in Article 42 of Decree No. 155/2020/ND-CP issued by the Government on December 31, 2020, detailing the implementation of certain provisions of the Law on Securities.

Article 2: Approve measures to ensure compliance with regulations on foreign ownership:

Based on the Company's Charter and Official Dispatch No. 1852/UBCK-QLKD dated May 7, 2021, from the State Securities Commission on the Report on foreign ownership rate, the maximum foreign ownership rate of MBS is 49%.

The Board of Directors commits to using measures as stipulated by law to maintain a foreign ownership rate after the public offering, ensuring compliance with the provisions of Article 77 of the Law on Securities and Article 9 of the Company's Charter.

Article 3: Approve the registration of securities and additional listing of the entire additional issued shares:

The entire additional issued shares will be registered for additional securities at the Vietnam Securities Depository and Clearing Corporation and registered for additional listing at the Stock Exchange.

The Board of Directors commits to registering all the additional issued shares for additional securities at the Vietnam Securities Depository and Clearing Corporation and undertaking the registration for additional listing of all the additional issued shares at the Stock Exchange in accordance with legal regulations.

Article 4: Approve other contents after completing the issuance.

* Change the Company’s Charter: Approve increasing the charter capital and amending the charter capital level as stipulated in the Company's Charter based on the actual results of the issuance
* Change the operating license and Business Registration Certificate: Approve the change of operating license and the Business Registration Certificate with the new charter capital level according to the actual results of the issuance.
* Other duties such as the record date, reporting, approving the results of the share issuance, and signing documents under the authority of the Board of Directors will be decided, directed, and implemented by the Chair of the Board of Directors to ensure compliance with legal regulations, the Charter, the General Mandate, and ensure the rights and benefits of shareholders and the Company.

Article 5: Approve the plan for using the proceeds from the issuance of rights to purchase shares for existing shareholders to increase the charter capital

* The expected proceeds from the issuance are VND 1,094,174,980,000. The Company will invest in information technology systems to enhance competitive capabilities, facilitate fast and efficient digital transformation for the upcoming period, and supplement resources for business activities to increase market share.
* The projected use of proceeds from the issuance is as follows:

|  |  |  |  |
| --- | --- | --- | --- |
| No. | Utilization plan of proceeds | Expected investment amount  (VND) | Expected use time |
| 1. | Invest in the development of information technology systems (\*) | 50,000,000,000 | Q3/2024 and Q4/2024 as the plan of the Company |
| 2. | Supplement capital for self-employment and underwriting activities | 450,000,000,000 | Q3/2024 and Q4/2024 as the business plan of the Company |
| 22.1 | Supplement capital self-employment | 400,000,000,000 | Q3/2024 and Q4/2024 as the business plan of the Company |
| 22.2 | Supplement capital for underwriting activities | 50,000,000,000 | Q3/2024 and Q4/2024 as the business plan of the Company |
| 3. | Supplement and provide capital for margin trading activities | 594,174,980,000 | Q3/2024 and Q4/2024 as the business plan of the Company |
|  | Total | 1,094,174,980,000 |  |

* In case the proceeds from the issuance to existing shareholders are insufficient to cover all the purposes mentioned above, the priority order for utilizing the funds, from top to bottom, will be as follows:
* Priority 1: Invest in the development of information technology systems
* Priority 2: Supplement capital for self-employment and underwriting activities
* Priority 3: Supplement and provide capital for margin trading activities
* To ensure flexibility, efficient capital utilization, and the benefits of both shareholders and the company, proceeds will be deposited in banks and/or invested in bank deposit certificates until utilized for the above purposes.

1. Expected plan for investing in the development of information technology systems is as follows:

Unit: VND

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| No. | Content | Expected investment amount by quarter | | Expected investment amount |
| Q3/2024 | Q4/2024 |
| 1 | Invest in digital transformation and business solutions to increase digital revenue (upgrade the core system for spot and derivatives trading; digital products, etc.) | 4,400,000,000 | 6,000,000,000 | 10,400,000,000 |
| 2 | Invest, enhance automation, digitize operations (digitize risk management/accounting/operations activities, etc.) | 1,500,000,000 | 4,000,000,000 | 5,500,000,000 |
| 3 | Invest in data solutions (data initiative solution consulting, IT infrastructure, etc.) | 1,000,000,000 | 1,000,000,000 | 2,000,000,000 |
| 4 | Enhance cybersecurity capabilities and improve infrastructure capabilities (API security protection, mobile app security protection, etc.) | 6,000,000,000 | 6,400,000,000 | 12,400,000,000 |
| 5 | Purchase/renew software licenses, maintain/upgrade/extend software services, and other investments | 5,700,000,000 | 14,000,000,000 | 19,700,000,000 |
|  | Total | 18,600,000,000 | 31,400,000,000 | 50,000,000,000 |

* Detailed investment items will be approved by the Board of Directors to implement in accordance with the internal regulations of the Company.

The General Meeting of Shareholders authorizes the Board of Directors to adjust the allocation of the proceeds from the offering for the approved purposes and/or change the purposes of the proceeds from the offering to align with the actual situation, ensuring compliance with legal regulations and reporting in the latest General Meeting of Shareholders regarding the adjustments related to the utilization plan of these proceeds.

In case the offering period for existing shareholders according to regulations ends, and the Company does not sell all the registered shares or does not receive the expected proceeds from the offering, depending on the actual situation, the Board of Directors will implement the following solutions:

* Request an extension of the offering time to offer all the remaining shares, ensuring compliance with the provisions of law;
* Additionally, if the expected proceeds from the offering are not fully realized, the Company will use alternative sources of capital such as bank loans and/or other suitable solutions in accordance with legal regulations and internal regulations of the Company to implement the established plans.

Article 6: Assign the General Manager of MB Securities Joint Stock Company to carry out related duties to implement the plan to issue rights to purchase shares for existing shareholders to increase the charter capital, including but not limited to:

1. Prepare, approve, and sign dossiers, documents, texts, commitments, and reports in the registration dossier for the public offering of additional shares submitted to the State Securities Commission to request the issuance of the Certificate of registration of additional public offering;
2. Prepare, approve, and sign dossiers, documents, texts, commitments, reports to explain, supplement, and complete the registration dossier for the additional public offering as required by the State Securities Commission to ensure compliance with legal regulations to obtain the Certificate of registration of additional public offering;
3. Organize the implementation to deploy the issuance plan after being issued the Certificate of registration of additional public offering by the State Securities Commission, including but not limited to information disclosure; signing all related documents, dossiers, and materials as required by legal regulations and instructions from authorized agencies to implement and complete the approved contents; carrying out legal procedures to adjust the establishment and operating license, Business Registration Certificate according to the new charter capital after completing the offering; signing all related documents, dossiers, and materials to carry out the supplementary securities registration at the Vietnam Securities Depository and Clearing Corporation and additional listing registration at the Stock Exchange for all the additional shares issued.

Article 7: This Resolution takes effect from the date of its signing. This Resolution replaces Resolution No. 35/NQ-MBS-HDQT dated April 22, 2024 of MB Securities Joint Stock Company. Members of the Board of Directors, the Board of Management, and affiliated persons are responsible for implementing this Resolution in compliance with the provisions of law.