

No.: 929/2025/TTr-HĐQT

Hanoi, April 4, 2025

PROPOSAL

Regarding: Establishment of Asset Management Company Limited - LPBank

To: The General Meeting of Shareholders of Fortune Vietnam JSC. Bank (LPBank)

Along with the general development of the banking industry, LPBank has gradually affirmed its reputation and brand in the banking and financial market. In 2024, LPBank has achieved remarkable achievements: Total assets (as of December 31, 2024) reached VND 508,330 billion, pre-tax profit (as of December 31, 2024) reached: VND 12,168 billion.

Therefore, in addition to the strong development of banking activities, the establishment of Fortune Vietnam Joint Stock Commercial Bank - Asset Management Company Limited (LPBank AMC) is extremely necessary to specialize in the management and handling of bad debts. The Asset Management Company is a professional unit that contributes to strengthening LPBank's operations in the integration trend of the country's economy and successfully implementing the development strategy committed to shareholders. To facilitate and be proactive in carrying out procedures according to the law, the Board of Directors respectfully submits to the General Meeting of Shareholders the following contents:

I/ Establishment of LPBank AMC

1. Name and Type:

- Vietnamese full name: CÔNG TY TNHH QUẢN LÝ NỢ VÀ KHAI THÁC TÀI SẢN NGÂN HÀNG LỘC PHÁT VIỆT NAM.

- English full name: **Fortune Vietnam Joint Stock Commercial Bank - Asset Management Company Limited.**

- Abbreviation: LPBANK AMC.

- Type: LLC

2. Charter capital: VND 200 billion

3. Content of establishment: At the plan attached with this proposal.

II/ Implementation

The General Meeting of Shareholders assigns and authorizes the Board of Directors to decide on the following related matters:

1. Review, direct and supervise the implementation of necessary procedures to submit to the competent state agency for approval of the establishment of LPBank AMC and decide on other related contents for LPBank AMC to come into operation.

2. Proactively decide on editing and completing the detailed contents of the Project to suit the actual operation, legal regulations and instructions of the competent state agency (if necessary).

3. Decide on the time to implement the establishment of LPBank AMC and related detailed Plan (including adjusting the Charter Capital of the Company).

Respectfully submit to the General Meeting of Shareholders for consideration and approval!

Sincerely./.

Recipient:

- *As above;*
 - *Board of Directors;*
 - *Head of the Board of Supervisors;*
 - *Storage: Governance Office;*
- duyenpt.*

ON BEHALF OF THE BOARD OF DIRECTORS

CHAIRMAN

Attached document:

- *Project to establish LPBank AMC*

Nguyen Duc Thuy

SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

PROPOSAL FOR ESTABLISHMENT

**ASSET MANAGEMENT COMPANY LIMITED UNDER FORTUNE VIETNAM JOINT
STOCK COMMERCIAL BANK**

Hanoi, March 03/ 2025

ABBREVIATION RULES

State Bank of Vietnam	State Bank of Vietnam
Fortune Vietnam Joint Stock Commercial Bank	LPBank or Bank
Asset Management Company Limited	AMC or Company

PART I
GENERAL INTRODUCTION ABOUT
FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

Fortune Vietnam Joint Stock Commercial Bank (“ **LPBank** ”), formerly Lien Viet Joint Stock Commercial Bank, was established and operating under License No. 91/GP-NHNN dated March 28, 2008 of the Governor of the State Bank of Vietnam. (“ **License**”).

After 17 years of operation and development, LPBank has overcome remarkable development stages as well as great challenges in the period when the global economy and Vietnam have had many fluctuations in recent times. Especially in recent times, LPBank has continuously grown strongly, becoming one of the largest joint stock commercial banks in Vietnam, owning a network across 63 provinces/cities nationwide. Especially, in 2024, LPBank was in the Top 500 banks with the highest brand value globally and is 1 of 14 banks in the Group of credit institutions with the most importance in the Vietnamese banking system. With the current scale of development, total assets as of December 31, 2024 will reach more than 508,330 billion VND, credit activities develop strongly with total outstanding debt as of December 31, 2024 reached more than 331,606 billion VND , the network spread to all communes/wards/towns nationwide. This requires the Bank not only to improve the quality of its operations and services, but also to specialize its products, services and operations to optimize resources, including debt management and asset exploitation of the Bank.

The establishment of LPBank’s Asset Management Company Limited (“AMC”) is necessary to continue investing and developing the economy, enhancing debt management and effectively exploiting assets, minimizing losses for LPBank. In addition, AMC is a professional enterprise that contributes to supporting LPBank’s operations in the integration trend of the country’s economy and successfully implementing the proposed development strategy.

1. Some information about the project topic

Bank Name: **Ngân hàng Thương mại Cổ phần Lộc Phát Việt Nam**

Abbreviated name in Vietnamese: Ngân hàng Lộc Phát Việt Nam

Name in English: Fortune Vietnam Joint Stock Commercial Bank

Abbreviation in English: **LPBank**

Head office: LPB Tower, 210 Tran Quang Khai, Trang Tien ward, Hoan Kiem district, Hanoi city, Vietnam

Website : <https://lpbank.com.vn>

Code: 6300048638

Main business lines include: Mobilizing short-term, medium-term and long-term capital according to the law ; granting credit to customers in the forms of loans, discounts, factoring, guarantees...; opening payment accounts, providing payment services; conducting foreign currency trading, derivative products, agency/agency delivery and other banking services according to the law.

LPBank's charter capital from 21/01/2025: 29,873 billion VND.

Real value of LPBank's charter capital (as of 31/12/2024): 37,698 billion VND.

Type: Joint Stock Commercial Bank (public company).

Legal representative: Mr. Vu Quoc Khanh – Chief Executive Officer

History of establishment, development and outstanding successes

Fortune Vietnam Joint Stock Commercial Bank (“ **LPBank** ”), formerly Lien Viet Joint Stock Commercial Bank , was established under the Establishment and Operation License No. 91/GP-NHNN dated March 28, 2008.

By April 2024, the 2024 Annual General Meeting of Shareholders approved the change of the Bank's name to Fortune Vietnam Joint Stock Commercial Bank and was permitted by the State Bank (Banking Inspection and Supervision Agency) to change the name in the License under Decision No. 423/QD-TTGSNH2 dated July 15, 2024.

LPBank has made a strong mark in the financial market with outstanding achievements in many fields. In terms of network, N Bank has built a widespread branch system, combining traditional transaction channels and digital platforms, effectively serving the needs of customers nationwide.

In social activities, LPBank is always at the forefront of charity and community development programs, demonstrating a commitment to sustainable social responsibility. The bank's human resources are highly appreciated for their expertise, dedication and are supported by a professional working environment.

Impressive business results with stable growth rate, transparent financial management and tightly controlled non-performing loan (NPL) ratio have affirmed LPBank's effective management capacity. At the same time, the bank's brand is constantly strengthened, becoming one of the most trusted banks by customers and partners in the market.

These achievements are the foundation for LPBank. continue to develop sustainably and enhance its position in the financial industry.

Some memorable milestones include:

- On March 28, 2008, Lien Viet Joint Stock Commercial Bank was established and has its headquarters located in Vi Thanh City, Hau Giang Province;

- On July 22, 2011, Vietnam Post Corporation , now Vietnam Post Corporation (“VNPOST”), contributed capital to the Bank, changing its name to Lien Viet Post Joint Stock Commercial Bank – LienVietPostBank.

- In August 2020, the Bank moved its headquarters to LPB Tower building, 210 Tran Quang Khai, Hoan Kiem District, Hanoi.

- In November 2020, the Bank's shares were officially listed on the Ho Chi Minh Stock Exchange (" HOSE ").

- On December 9, 2022, the Bank has a new Chairman of the Board of Directors, Mr. Nguyen Duc Thuy.

- On July 15, 2024, the Bank officially changed its name to Fortune Vietnam Joint Stock Commercial Bank.

2. Operating criteria:

❖ Vision:

Become the most trusted financial partner – the number one choice for individuals, households, small and medium enterprises in rural and urban areas.

❖ Mission:

Integrate and promote local economic development, contributing to creating prosperity for the community with comprehensive, professional and effective financial services.

❖ Core values:

Integrity

LPBank always considers integrity as a solid foundation for all customer relationships. In any case, LPBank acts honestly, transparently, respectfully and correctly, protecting the legitimate rights of customers and the Bank's ethical rules. LPBank builds absolute trust with customers and partners as well as employees and the community including state management agencies. Always valuing integrity is also the way LPBank builds reputation and expands business opportunities.

In the recruitment, promotion, training and self-improvement of LPBank's staff, integrity is always the most core value.

Responsibility

LPBank is committed to always performing its operations with the highest responsibility, ensuring maximum accuracy, safety and security for customers.

Our business activities not only focus on bringing profits to the Bank, but also aim at the sustainable development of the community and society, maximizing the benefits of customers, partners, employees, shareholders, the environment, etc. on the basis of compliance with the law and professional ethics. This is the measure of LPBank's value scale, affirming the position, reputation, brand, and healthy competition of LPBank in the market.

Unite

All employees and leaders at all levels of LPBank are always committed to a cooperative working environment, mutual respect, mutual concern, sharing all successes and responsibilities. We always appreciate creative ideas, respect different opinions but all have the same goal of developing the Bank and protecting the core values of integrity, openness, fairness and objectivity.

Creative

LPBank is committed to always being at the forefront of applying advanced technologies to the implementation of the Bank's value chain. Always innovating and creating to bring maximum value, experience and personalization of the Bank's services to customers.

Innovation and creativity are also the foundation for increasing labor productivity, efficiency and customer service quality.

Customer focus

We always put customers at the center of our organizational structure, business philosophy and development strategy. The Bank's products and services are designed to meet the needs and optimize benefits for customers. Sustainable relationships with customers are the Bank's greatest asset.

❖ Philosophy in business:

With the philosophy of " *Incorporating social responsibility into business* ", in recent years, LPBank has implemented social responsibility continuously, strongly and consistently with the focus on funding 05 areas: Education and training, healthcare, culture and sports, social security and supporting poor localities to develop. Up to now, LPBank and its shareholders and partners have contributed thousands of billions of VND to social activities.

3. Operating and business platform:

a) Network operations:

Number of Branches, Transaction Offices: As at December 31, 2024, the Bank has one (01) Head Office, (three) 03 Representative Offices, (eighty-five) 85 Branches, (four hundred and eighty-one) 481 Transaction Offices, (five hundred and twelve) 512 Post Office Transaction Offices.

❖ Board of Directors:

- *Chairman of the Board of Directors: Mr. Nguyen Duc Thuy*

✓ Year of birth: 1976

✓ Joined the Board of Directors from: April 29, 2021

✓ Education: Bachelor of Business Administration

✓ Experience: Mr. Nguyen Duc Thuy has been the Chairman of LPBank's Board of Directors since December 9, 2022. Previously, he served as Vice Chairman of LPBank's Board of Directors from May 2021 to December 2022. At the time of joining LPBank, he had 27 years of experience in business administration and finance.

- *Permanent Vice Chairman of the Board of Directors: Mr. Ho Nam Tien*

- ✓ Year of birth: 1971
- ✓ Joined the Board of Directors from: April 23, 2023
- ✓ Education: Master of Finance - Banking
- ✓ Experience: Mr. Ho Nam Tien has been the Permanent Vice Chairman of LPBank's Board of Directors since October 4, 2024. Previously, he was the Vice Chairman of LPBank's Board of Directors from April 23, 2023 to October 4, 2024. He has 31 years of experience in the banking and finance sector.

- *Vice Chairman of the Board of Directors: Mr. Nguyen Van Thuy*

- ✓ Year of birth: 1981
- ✓ Joined the Board of Directors from: April 23, 2023
- ✓ Education: Bachelor of Civil and Industrial Construction
- ✓ Experience: Mr. Nguyen Van Thuy has been Vice Chairman of LPBank since June 12, 2024. Previously, he was Permanent Vice Chairman of LPBank's Board of Directors from June 7, 2023 to June 11, 2024. Before joining LPBank, he had more than 15 years of experience in finance and business administration.

- *Vice Chairman of Board of Directors: Mr. Bui Thai Ha*

- ✓ Year of birth: 1976
- ✓ Joined the Board of Directors from: April 23, 2023
- ✓ Education: Master of Business Administration
- ✓ Experience: Mr. Bui Thai Ha has been Vice Chairman of LPBank's Board of Directors since April 23, 2023. He has 30 years of experience in the banking and finance sector, including nearly 14 years at LPBank.

- *Member of Board of Directors – Person in charge of Bank Administration: Mr. Huynh Ngoc Huy*

- ✓ Year of birth: 1966
- ✓ Joined the Board of Directors since: July 1, 2016
- ✓ Education: Master of Finance
- ✓ Experience: Mr. Huynh Ngoc Huy has been a member of LPBank's Board of Directors since July 1, 2016. He has held the position of Chairman of LPBank's Board of Directors from December 2019 to December 2022 and Vice Chairman of LPBank's Board of Directors from December 2022 to April 2023. He has 18 years of experience in the fields of banking finance and business administration.

- *Vice Chairman of the Board of Directors - Independent Member of the Board of Directors - Mr. Pham Phu Khoi*

- ✓ Year of birth: 1963
- ✓ Joining the Board of Directors from: November 16, 2024
- ✓ Education: Master of Business Administration
- ✓ Experience: Mr. Pham Phu Khoi has been an independent member of LPBank's Board of Directors since November 16, 2024. Before joining LPBank, he had 35 years of

experience in finance and business administration. On February 7, 2025, he was elected Vice Chairman - Independent Member of LPBank's Board of Directors.

- *Independent member of the Board of Directors – Ms. Vuong Thi Huyen*

- ✓ Year of birth: 1974

- ✓ Joining the Board of Directors from: November 16, 2024

- ✓ Education: Master of Business Administration

- ✓ Experience: Ms. Vuong Thi Huyen has been an independent member of the Board of Directors since November 16, 2024. Before joining LPBank, she had 29 years of experience in the banking and finance sector.

- ❖ Board of Supervisors (BOS):

- + *Head of BOS: Ms. Duong Hoai Lien*

- ✓ Year of birth: 1981

- ✓ Join BOS from: April 23, 2023

- ✓ Education: Master of Finance

- ✓ Experience: Ms. Duong Hoai Lien has been the Head of LPBank's BOS since April 23, 2023. Previously, she held the role of independent member of LPBank's Board of Directors from April 2018 to April 2023. She has 20 years of experience in the banking and finance sector.

- + *Deputy Head of BOS: Mr. Tran Thanh Tung*

- ✓ Year of birth: 1967

- ✓ Joined BOS since: 28/03/2008

- ✓ Education: Bachelor of Banking and Finance

- ✓ Experience: Mr. Tran Thanh Tung has been Deputy Head of LPBank's Supervisory Board since April 23, 2023. He joined the Supervisory Board in March 2008 and was Head of LPBank's Supervisory Board from April 2017 to April 2023. He has 32 years of experience in the field of accounting and banking finance.

- + *BOS Member: Ms. Nguyen Thi Lan Anh*

- ✓ Year of birth: 1958

- ✓ Joined BOS since: 28/03/2013

- ✓ Education: Master of Economics

- ✓ Experience: Ms. Nguyen Thi Lan Anh has been a member of LPBank's Board of Supervisors since March 28, 2013. She has 29 years of experience in the field of tax and customs and 11 years of experience in the field of banking and finance.

- ❖ Board of Directors:

- + *Chief Executive Officer (CEO): Mr. Vu Quoc Khanh*

- ✓ Year of birth: 1981

- ✓ Appointment date: 25/02/2025

- ✓ Education: Bachelor of Business Administration

- ✓ Experience: On February 25, 2025, Mr. Vu Quoc Khanh was appointed by the Board of Directors of LPBank as the CEO after being approved by the State Bank. Previously, he was

Acting CEO from October 4, 2024. He has 23 years of experience in the banking and finance sector, including 17 years at LPBank.

+ *Deputy CEO: Ms. Nguyen Anh Van*

✓ Year of birth: 1972

✓ Date of first appointment: 20/05/2010

✓ Education: Master of Finance - Banking

✓ Experience: Ms. Nguyen Anh Van has been Deputy CEO of LPBank since May 20, 2010. She has 29 years of experience in holding the position of Capital Management at banks, including more than 17 years at LPBank.

+ *Deputy CEO: Mr. Doan Nguyen Ngoc*

✓ Year of birth: 1975

✓ First appointment date: 24/04/2023

✓ Education: Master of Business Administration

✓ Experience: Mr. Doan Nguyen Ngoc has been Deputy CEO of LPBank since April 24, 2023. He has 27 years of experience in the field of finance and banking.

+ *Deputy CEO: Ms. Vu Nam Huong*

✓ Year of birth: 1983

✓ First appointment date: 20/3/2024

✓ Education: Bachelor of Banking and Finance

✓ Experience: Ms. Vu Nam Huong has been Deputy CEO of LPBank since March 20, 2024. She has 19 years of experience in the field of finance and banking.

+ *Deputy CEO: Mr. Dang Cong Hoan*

✓ Year of birth: 1977

✓ First appointment date: 16/12/2024

✓ Education: PhD in Economics

✓ Experience: Mr. Dang Cong Hoan has been Deputy CEO of LPBank since December 16, 2024. He has 26 years of experience in the field of finance and banking.

+ *Deputy CEO: Luu Danh Duc*

✓ Year of birth: 1973

✓ First appointment date: 26/12/2024

✓ Education: Master of Information Technology

✓ Experience: Mr. Luu Danh Duc has been Deputy CEO of LPBank since December 26, 2024. He has 28 years of experience in finance, business administration and information technology.

Human resource work is always considered by the Board of Directors as the key and the key to all successes of LPBank. Therefore, the human resource development strategy has been invested thoroughly from recruitment, training to the remuneration policies that have been implemented from the beginning and up to now LPBank has more than 9,200 employees across the system as of 31/03/2025.

b) Risk Management

LPBank always focuses on building a professional risk management system, ensuring effective detection, assessment and control of risks in business operations. With a methodical management process, combined with a team of experienced experts and the application of modern technology, LPBank constantly improves its ability to forecast and minimize the impact of potential risks. Professionalism in risk management is the foundation for the Bank to maintain stability, sustainable development and meet the interests of customers, partners and shareholders.

c) Information technology

LPBank considers information technology as a core element in its development strategy, focusing on comprehensive digitalization to improve operational efficiency and customer experience. With modern platforms, the Bank constantly improves services, ensuring safety and convenience. Strong investment in technical infrastructure and network security helps LPBank maintain its competitive advantage and meet the needs in the age of technological transformation and digitalization.

4. On minimum capital adequacy ratio

In 2020, LPBank completed all three pillars of Basel II ahead of schedule with the completion of the implementation of Circular 41 (2019) and the Internal Capital Adequacy Assessment project (2020). The completion and application of Basel II helps LPBank improve the quality of risk management, gradually approaching international standards; allowing LPBank to build and manage capital strategies more safely, effectively and proactively; and helping LPBank establish a business strategy that harmonizes the three factors of profit, risk and capital management.

In December 2022, LPBank will complete the implementation of the Basel III project, helping the bank improve risk management efficiency.

In 2024, LPBank completed updating the calculation of capital adequacy ratio according to Circular 22/2023/TT-NHNN amending Circular 41/2016/TT-NHNN regulating Capital adequacy ratio for banks and foreign bank branches.

LPBank regularly measures and ensures the maintenance of safety ratios in accordance with the regulations of the State Bank and LPBank's internal regulations. Periodically, LPBank conducts liquidity and capital endurance tests, including adverse scenarios, to assess the impact on LPBank's liquidity and capital adequacy ratio. From there, LPBank promptly adjusts capital mobilization and use policies to ensure LPBank's liquidity is smooth, and the capital adequacy ratio always meets the provisions of law. LPBank's CAR ratio in 2024 has been consistently improving by over 12%.

5. Compliance with capital contribution and share purchase limits

LPBank has only one major shareholder, Vietnam Post Corporation, with a share ownership ratio at LPBank as of March 31, 2025 of 6.54%. Ratio of shares owned by Vietnam Post Corporation and its shareholders The Vietnam Post Corporation's related departments always ensure compliance with legal regulations on capital contribution limits for purchasing shares at LPBank.

Every month, LPBank, based on the list of shareholders provided by the Vietnam Securities Depository and Clearing Corporation at the end of the month, reviews the share ownership ratio of individuals, organizations, individuals/organizations who are insiders and major shareholders of LPBank with those related to these individuals/organizations. The review results show no violations of the share ownership ratio according to the Law on Credit Institutions. When LPBank increases its charter capital by issuing/offering shares, LPBank always ensures compliance with the regulations on notification to all Shareholders and investors comply with the provisions of law on capital contribution and share purchase at the Bank.

6. Some financial indicators in the last 3 years (2022-2024)

Unit: Billion VND, %

TT	Target	Figures 12/31/2024	Figures 12/31/2023	Figures 12/31/2022
I	Scale index			
1	Total assets	508,330	382,863	327,746
2	Equity	43,338	34,117	24,055
	<i>In there:</i>			
2.1	Charter capital	25,576	25,576	17,291
2.2	Retained earnings/ Accumulated losses	12,122	4,845	3,904
3	Mobilizing capital for economic organizations and residents	338,631	285,301	250,936
	<i>In there:</i>			
3.1	Customer deposits	283,172	237,392	215,888
3.2	Issuance of securities	55,459	47,910	35,048
4	Receive deposits and borrow from other credit institutions	115,349	50,112	39,660
5	Deposits and loans to other credit institutions	96,512	35,585	32,026
6	Customer Loans	331,606	275,431	235,507
7	Corporate bond investment	-	-	-
II	Some indicators of debt quality			
1	Total debt	331,606	275,431	235,507
2	Group 2 debt	3,259	3,111	3,566
	Ratio of group 2 debt to total debt	0.98%	1.13%	1.51%
3	NPL on balance sheet	5,199	3,689	3,427
	NPL Ratio on balance sheet to total debt	1.57%	1.34%	1.46%
4	Investing in corporate bonds has the potential to become NPL	-	-	-
5	Other doubtful receivables	6	7	7
6	Remaining credit loss provision			
III	Minimum capital adequacy ratio	13.33%	12.24%	12.36%
IV	Operating efficiency			
1	Profit before tax	12,168	7,039	5,690
2	Profit after tax	9,721	5,572	4,510
3	ROE	25.10%	19.16%	22.08%
4	ROA	2.18%	1.57%	1.46%

TT	Target	Figures 12/31/2024	Figures 12/31/2023	Figures 12/31/2022
5	Proportion of income from non-credit service activities/Total income (applicable to commercial banks)	16.11%	22.82%	11.73%

Note:

- ROE, ROA calculated by annual reporting period.

PART II

THE NEED FOR ESTABLISHMENT ASSET MANAGEMENT COMPANY LIMITED

1. Necessity

In the journey of development and expansion of operations, LPBank always focuses on improving the quality of asset management and risk control to maintain financial stability and ensure business efficiency. However, along with the development in scale and scope, the Bank is facing increasingly complex challenges in managing and exploiting assets, especially assets securing loans. The establishment of Asset Management Company Limited (AMC) is a strategic step, meeting the need for specialization and optimization of asset management activities in this context.

The handling of collateral and outstanding debts still faces many barriers, both legal and operational. Traditional handling methods such as lawsuits, auctions, or asking customers to handle them themselves are often lengthy, costly, and ineffective. Meanwhile, the current legal framework restricts commercial banks from directly trading in real estate, making it difficult to exploit the value of real estate collateral - which accounts for the majority of loans. This not only slows down the capital recovery process but also wastes resources, affecting the overall operational efficiency of the Bank.

Non-Performing Loan (NPL) ratio in 2024 has many fluctuations, specifically:

Unit: billion VND/%

Time	Total Outstanding Loan	NPL	NPL ratio
28/02/2025	334,650	5,650	1.69%
31/01/2025	334,891	5,451	1.63%
31/12/2024	331,606	5,199	1.57%
30/11/2024	320,163	6,342	1.98%
31/10/2024	324,855	6,310	1.94%
30/09/2024	319,770	6,272	1.96%
31/08/2024	319,450	5,951	1.86%
31/07/2024	315,711	5,739	1.82%
30/06/2024	317,417	5,482	1.73%
31/05/2024	305,291	5,385	1.76%
30/04/2024	308,410	5,342	1.73%
31/03/2024	307,708	5,067	1.65%

Time	Total Outstanding Loan	NPL	NPL ratio
29/02/2024	286,465	4.411	1.54%
31/01/2024	284,660	3,966	1.39%

With the increase in the scale of operations and credit balance. In order to minimize asset losses, increase professionalism, a specialized unit such as AMC is necessary to support the bank in handling debt and exploiting collateral effectively. AMC will help LPBank minimize losses from outstanding debts, while fully utilizing the value of collateral through activities such as renovation, leasing, or transfer.

The trend of establishing AMCs has become popular among commercial banks in Vietnam, especially since the State Bank issued regulations supporting this model. Currently, most large banks have AMCs operating independently, taking on an important role in handling NPLs, exploiting assets and contributing to increasing stable sources of income for banks. AMCs not only support asset management specialization but also create conditions for banks to focus on core business activities.

In addition, in the digital age, the establishment of AMC also opens up opportunities to apply modern management technologies, improve operational efficiency and shorten processing time. AMC will not only be a tool to reduce the burden on the bank but also a strategic lever to help LPBank strengthen its competitive position and expand its operations in the long term.

With a professional model, AMC will help LPBank manage assets optimally, minimize risks, limit losses and increase business efficiency. This is a necessary and important step for LPBank to continue to affirm its position as one of the leading commercial banks in Vietnam, while laying a solid foundation for sustainable development in the future.

2. Feasibility

2.1 Economic efficiency

Based on the proposal, AMC will contribute significantly to revenue from debt settlement activities, exploitation of collateral assets and provision of related services within the framework of business operations. Every year, the company will contribute important taxes such as corporate income tax, personal income tax, value added tax and other taxes, contributing to a stable source of revenue for the state budget. The distribution of profits and the establishment of funds according to regulations also ensure transparent and effective financial operations, while being consistent with the State Bank's management orientation for subsidiaries under the bank.

2.2 Social efficiency

AMC will create more job opportunities for workers nationwide through the expansion of business activities, branches and representative offices. This will not only contribute to reducing the unemployment rate but also improve the quality of human resources in the field of finance and asset management. Furthermore, AMC's operations will support the restructuring and effective exploitation of collateral assets, contributing to promoting local and national economic development.

In addition, AMC also creates conditions to enhance the bank's reputation in the financial market, contributing to strengthening the trust of domestic and foreign customers and partners. The success of this model will not only bring benefits to the parent bank but also contribute positively to the country's sustainable economic development.

Thus, the establishment of AMC brings comprehensive efficiency, from economic to social, ensuring compliance with LPBank's development strategy and the orientation of the modern financial system.

PART III

ASSESSMENT OF LPBANK'S CURRENT SITUATION UPON COMPLETION ESTABLISHMENT OF AMC

Recognizing the impact of overdue debt on LPBank 's business operations, and at the same time seeking to find effective debt settlement measures, LPBank proposed the establishment of a Asset Management Company Limited. After completing the establishment of AMC, the situation of LPBank is assessed as follows:

1. Reasons for LPBank's capital contribution to AMC

LPBank's capital contribution to AMC will improve the bank's NPL handling capacity in the role of purchasing and handling NPLs, restructuring NPLs, thereby generating profits from handling these assets. Moreover, AMC's funding from LPBank also helps AMC expand its financial and investment activities, exploit new opportunities in handling assets to increase profits, and maintain financial stability.

2. Charter capital upon completion of capital contribution

Through the business performance figures presented above along with the continuous growth rate of capital in recent years, the establishment of AMC brings economic and social efficiency and do not affect LPBank's operating charter capital.

3. Human resource assessment

By the end of 2024, LPBank will have built a strong team of human resources, not only with high professional qualifications but also with extensive experience in areas such as valuation, financial analysis, credit granting, and legal knowledge - important factors that form the foundation for building a human resource team for AMC.

In 2024, LPBank will continue to implement the strategy of prioritizing human resource development, focusing on improving professional qualifications by sending staff to participate in specialized training courses, updating new knowledge in areas such as risk management, asset valuation and financial law. This continuous capacity improvement not only helps the staff improve their skills to meet the bank's requirements but also prepares good resources to serve the effective operation of AMC.

In addition, the skills acquired from practice such as valuation, financial analysis, credit granting and other legal operations are the necessary prerequisites for AMC's staff to be ready to undertake complex tasks. This human resource training and development policy also helps the bank ensure high expertise, ready to respond to challenges in asset management and exploitation. With a quality staff, LPBank is confident that AMC will operate professionally, effectively and meet the set strategic goals.

4. Market, technology, experience review

LPBank operates in a context where the financial market is experiencing great fluctuations and opportunities, especially the increasing demand for NPL settlement and exploitation of collateral. The real estate and financial markets, which are the main foundations for AMC's operations, are gradually recovering after periods of recession, opening up great potential for the development of related services. The increase in secured loans creates

favorable conditions for AMCs to take advantage of and exploit, contributing to improving business efficiency and supporting the parent bank to minimize risks.

In terms of technology, LPBank has invested heavily in information technology infrastructure, from management systems to modern data analysis and asset management platforms. These technologies not only help improve operational capacity but also support AMC in evaluating, analyzing and processing assets effectively and accurately. Modern technology also allows for optimizing debt processing, reducing time and costs, and enhancing risk management capabilities.

In terms of experience, LPBank has accumulated many valuable lessons from handling large loans, restructuring assets and managing credit risks. A team of experienced experts, supported by a legal foundation and strict operating procedures, will be an important advantage for AMC to carry out complex tasks such as debt restructuring, asset auctions and optimizing the value of collateral. The combination of practical experience and clear strategic direction of the parent bank will be a solid foundation for AMC to operate effectively from the very first days of its establishment.

In general, with great market potential, modern technology platform and experienced team, LPBank is fully qualified to establish AMC, meet asset management needs and exploit new business opportunities, while consolidating its position in the financial market.

5. On LPBank's minimum capital adequacy ratio upon completion of AMC establishment

According to current regulations, LPBank is committed to maintaining the prescribed CAR ratio, even after completing the establishment of the AMC. The establishment of the AMC will use a part of the bank's equity capital to ensure the initial operation of the company. However, thanks to an effective financial management strategy, LPBank has built a reasonable capital allocation plan, ensuring that the CAR ratio is maintained at a safe level. In addition, with the effective debt settlement and asset exploitation activities from the AMC, the cash flow recovered from outstanding debts will contribute to supplementing capital sources, enhancing the bank's ability to preserve equity capital.

At the same time, LPBank always proactively implements risk control measures and strictly complies with regulations on minimum capital, not only to meet legal requirements but also to strengthen the trust of shareholders and customers. The establishment of AMC not only creates economic value but also supports the bank in maintaining long-term financial stability and sustainable development.

6. Regarding compliance with capital contribution and share purchase limits of LPBank upon completion of AMC establishment

LPBank commits to fully comply with current legal regulations on capital contribution and share purchase limits as prescribed in the Law on Credit Institutions and guiding documents of the State Bank of Vietnam. The establishment of AMC will be carried out within the framework of current legal limits, ensuring that it does not exceed the maximum capital contribution ratio that a credit institution is allowed to invest in subsidiaries.

LPBank has developed a detailed plan, including determining the initial capital contribution for AMC, ensuring a balance between investment activities and the bank's key financial indicators. In addition, investment capital management is carried out transparently, through strict internal control processes and supervision by regulatory agencies, to maintain absolute compliance.

The establishment of AMC is not only in line with the regulations on capital contribution limits but also within the bank's long-term development strategy. LPBank will ensure that AMC's operations do not affect the bank's financial stability and equity capital capacity, while optimizing investment efficiency, contributing to creating more economic value for the system and meeting the requirements of the State Bank.

PART IV
DETAILED INFORMATION ABOUT LPB AMC

I. CONTENT AND SCOPE OF ACTIVITIES OF AMC

1. Company name and headquarters:

a) Full name in Vietnamese: Công ty TNHH MTV Quản lý nợ và khai thác tài sản Ngân hàng Lạc Phát Việt Nam.

Full name in English: Fortune Vietnam Joint Stock Commercial Bank - Asset Management Company Limited.

b) Abbreviation in English: LPBank AMC

c) Head office at: LPB Tower, 210 Tran Quang Khai, Trang Tien Ward, Hoan Kiem District, Hanoi City

2. Type of enterprise: One-member limited liability company under Fortune Vietnam Joint Stock Commercial Bank, has legal status under Vietnamese law, has its own seal; accounts opened at commercial banks ; balance sheet, funds according to the provisions of law ; has capital and assets, in which charter capital is provided by LPBank; is responsible within the scope of capital and assets owned by AMC.

3. AMC 's expected charter capital : 200 billion VND (In words: Two hundred billion dong).

4. Scope of operations: AMC is allowed to establish branches and open representative offices in provinces and cities in Vietnam after being approved by LPBank's Board of Directors.

5. Term of operation: not exceeding the remaining term of operation of LPBank.

6. Business registration fields:

Registering a number of occupations in the Vietnamese economic sector code system according to Decision No. 27/2018/QĐ-TTg dated July 6, 2018 of the Prime Minister, basically as follows:

- Code 6499: Other financial service activities not elsewhere classified (except insurance and social insurance);
- Code 6619: Financial service support activities not elsewhere classified.
- Code 5210: Warehousing and storage of goods (excluding real estate business);
- Other legal industries serving the Company's business operations.

7. Expected time of operation: After being granted the Certificate of Business Registration.

8. Activity content:

a) Receive and manage outstanding debts (including secured debts and unsecured debts) and loan collateral (mortgaged assets, pledges, guarantees, assets assigned by the Court, enforcement agencies according to effective decisions and judgments, other types of collateral) related to LPBank's debts to handle and recover capital as quickly as possible for LPBank;

b) Provide financial consulting services, complete documents related to debts according to the provisions of law and submit them to LPBank or competent authorities according to the provisions of law;

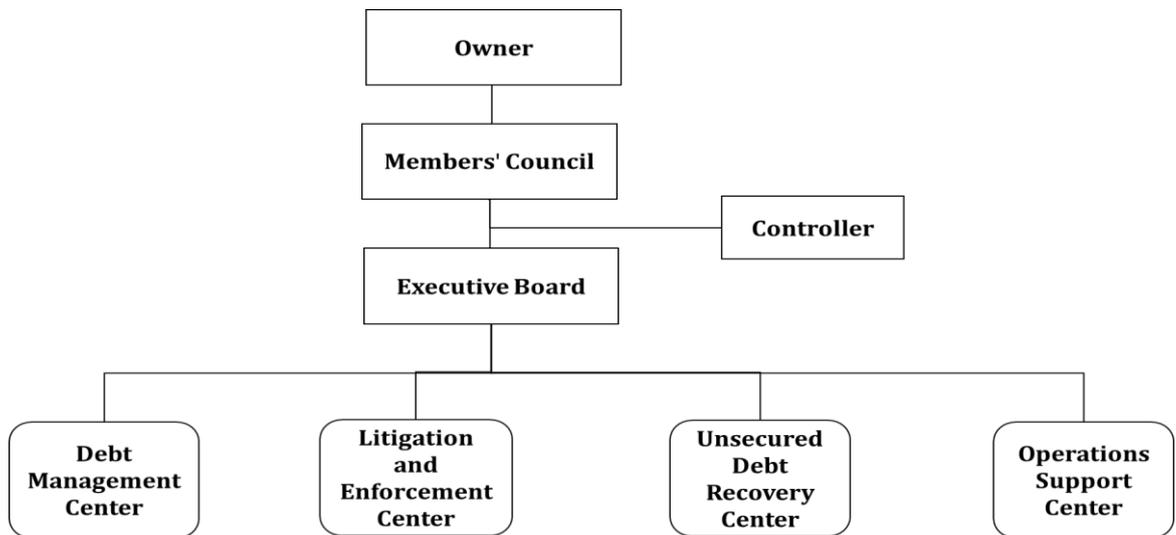
c) Actively sell and handle loan collateral assets under the Bank's discretion in the following forms:

- Sell publicly directly or through self-auction on the market;
- Sale through an asset auction service organization or authorized party;
- Sell to companies with the function of purchasing debt according to the provisions of law.

- d) Restructuring and trading outstanding debts managed by AMC, with the right to handle them by measures such as: interest rate exemption, additional investment, debt conversion into equity and other measures as prescribed by law ;
- e) Handling assets securing loans by appropriate measures: renovating, repairing, upgrading assets for sale, lease, business exploitation, contributing capital to joint ventures with assets to recover debts for LPBank;
- f) Purchase, sell, handle outstanding debts, exploit collateral assets of other credit institutions, debt management companies and exploit assets of other commercial banks and other companies according to the provisions of law;
- g) Provide consulting services on mortgage loans using the lending assets themselves and asset swaps;
- h) Prepare documents, apply for permission, carry out investment, renovate and upgrade assets, do business, lease, and exploit LPBank's assets and other assets of AMC, managed and exploited effectively by the Company;
- i) Asset valuation;
- j) Asset management and exploitation;
- k) Providing logistics, warehousing and property auction services;
- l) Invest and manage investment in basic construction, headquarters, branches, and affiliated units of the Bank in accordance with the provisions of law.
- m) Other legal activities serving the Company's business operations.

II. PROJECTED ORGANIZATIONAL MODEL

1. AMC's proposed organizational model and AMC's organizational structure:



- a) Chairman of AMC Corporation
- b) The CEO of AMC is responsible to Fortune Bank Vietnam and the Law for the operation of the Company.
- c) Controller: checks compliance with the Law and internal regulations, and the Company's business operations.
- d) Chief Accountant: assists the CEO in directing the implementation of accounting and statistical work of the Company.
- e) AMC's professional and technical apparatus will be built according to the decision of the Board of Directors of Fortune Bank Vietnam, based on the proposal of the CEO of AMC.

The departmental organizational structure is designed with high flexibility, to effectively meet practical requirements in each stage of operation. Allowing for adjustment and restructuring of the organization in each period, in accordance with the company's development strategy and market fluctuations, ensuring efficiency and optimal operational capacity.

III. CAPITAL SOURCES AND INVESTMENT COSTS

1) Investment capital:

- a) Operating capital: **200 billion VND (Two hundred billion VND);**
- b) Loans from credit institutions and domestic and foreign financial institutions;
- c) Capital from funds allowed to be established;
- d) Capital from the issuance of bonds or other debt instruments as prescribed by law;
- e) Capital mobilized through business cooperation contracts, joint venture contracts or other forms of investment as prescribed by law.

2) Company Profit Distribution

- a) Every year, after fulfilling its financial obligations to the State, the Company shall deduct from its after-tax profits to establish the following funds:
 - Reserve fund for additional charter capital;
 - Business Development Fund;
 - Welfare reward fund;
 - Other funds as prescribed by law.
- b) Other funds will be decided by the Company Chairman depending on the business situation and in accordance with the provisions of the law.
- c) Fortune Vietnam Bank is only allowed to withdraw the Company's profits when the Company has fully paid all due debts and other financial obligations.

IV. BUSINESS PLAN

1. Operation and business strategy for the period 2025 - 2028

- Effectively exploiting collateral assets, converting loan collateral assets into profitable resources through leasing, selling or reusing. LPBank will focus on exploiting, enhancing management and upgrading existing assets such as real estate, infrastructure systems and equipment, turning them into assets with higher use value.
- Effective debt collection and management, enhancing the capacity to collect overdue debts by optimizing processes and applying professional methods. At the same time, LPBank will proactively participate in the debt trading market to expand its debt asset portfolio, improve management efficiency and take advantage of business opportunities from this market.
- Reinvesting strategic assets using recovered debts and secured assets to invest in projects with high profit potential. LPBank will cooperate with strategic partners in joint venture projects or asset restructuring, to create added value and expand sustainable revenue sources.

2. Business plan for the period 2025-2028

a) Estimated business costs for the first 3 years:

Unit: billion VND

Interpretation	2025 (second half of the year)	Year 2026	Year 2027
Estimated business costs	160	168	183

b) Estimated business results for the first 3 years:

Unit: billion VND

No.	Interpretation	Year 1 (counted as half a year)	Year 2	Year 3
1	Total revenue	177	426	511
2	Expense	80	168	183
4	Profit before tax	97	257	328

3. Risks in business operations

Asset Management Company (AMC) of Fortune Vietnam Bank may face some risks during its operations, requiring close identification and management to ensure efficiency and sustainable development.

3.1. Financial risks

During the expansion of its operations, AMC may face difficulties in controlling its financial flows due to its growing scale of operations. The lack of balance in resources may affect its ability to operate continuously and achieve its business goals. To mitigate this risk, AMC will apply modern financial management tools, combined with a strict internal control system to ensure that cash flows are always maintained stably. At the same time, LPBank will play an independent monitoring and supporting role, to ensure AMC's sustainable financial capacity and effective operation at all stages.

3.2. Market risks

The financial and real estate markets, which are the core areas in which AMC operates, are cyclical and are affected by many macroeconomic factors, such as fluctuations in interest rates, asset values or regulatory changes. To cope with these risks, AMC will focus on three main areas: (i) effective exploitation of collateral assets, (ii) re-investment of assets, and (iii) development of professional asset management services. Flexibility in business strategy and quick adaptation to market conditions will be important factors to minimize negative impacts and optimize business performance.

3.3. Risks in human resource organization

Risks related to human resources include the lack of highly qualified staff or instability in internal management. These issues can directly affect the AMC's operational capacity, especially when the company's activities require expertise in areas such as risk management, asset valuation and debt handling. To minimize risks, AMC will develop a talent attraction policy, combined with continuous investment in training to improve the qualifications and skills of its staff. Cooperation with external professional organizations is also an effective solution to improve operational capacity during specific periods.

In general, identifying and controlling the above risks not only helps AMC operate stably but also creates a premise for the company to develop sustainably, effectively accompanying LPBank's long-term strategy.

PART V

CONCLUSION

In the context of Vietnam's economy growing strongly, aiming to become a developed country with a modern financial system, Fortune Vietnam Bank sets a pioneering mission in building a strong financial system, associated with the sustainable development of the country. With a strategic orientation to 2028, Fortune Vietnam Bank not only focuses on increasing scale but also promotes progress in the quality of financial activities, through the application of modern and sustainable asset management solutions.

In particular, in the era of global economic integration and national transformation, the role of the Asset Management Company (AMC) is not only to support banks in handling NPLs and exploiting collateral assets, but also to contribute to creating momentum to promote the national finance. AMC is expected to become a model in asset management, capital restructuring and optimizing the value of economic resources, thereby supporting the strong transition of the Vietnamese economy to a higher and more modern stage of development.

AMC of Fortune Bank Vietnam will be built with international standards, focusing on key areas such as asset management and restructuring, financial risk control and providing professional consulting services to customers. This is not only a strategic step to meet the internal needs of the bank, but also a practical contribution to the overall development of the national financial system, accompanying the development orientation of the economy in the "*era of rising up*" of the nation.

The establishment of AMC Company at this time is a clear demonstration of the aspiration for sustainable development and international integration of Fortune Vietnam Bank. AMC not only ensures the effective exploitation of financial resources but also creates a foundation for the bank to actively contribute to the country's socio-economic development. The role of AMC is therefore not only limited to the bank itself, but also reflects the pioneering spirit and responsibility to accompany the nation in the era of brilliant development.