

No.: **531**/2025/CV-PGB

*Hanoi, April 22<sup>th</sup>, 2025*

**AD-HOC DECLARATION**

**To:** - State Securities Commission  
- Hanoi Stock Exchange

1. Public Company Name: **Prosperity And Growth Commercial Joint Stock Bank**

- Stock code: **PGB**

- Address: 16th, 23rd, 24th floors, MIPEC Building, No. 229 Tay Son, Nga Tu So Ward, Dong Da District, Hanoi City.

- Tel.: 024 62811298

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- E-mail: [vphdqt.pgbank@pgbank.com.vn](mailto:vphdqt.pgbank@pgbank.com.vn)

- Legal representative: Mr. Pham Manh Thang      Position: Chairman of the Board of Directors

2. Details:

Prosperity And Growth Commercial Joint Stock Bank (PGBank) announced Regarding the Amendment and Supplementation of the 2025 Annual General Meeting of Shareholders Documents.

*Detailed documents are attached.*

3. This declaration was published on the company's website on April 22<sup>th</sup>, 2025 at the link: <https://www.pgbank.com.vn/nha-dau-tu/cong-bo>

We hereby commit that the above declared information are true and take full legal responsibility for the content of the information published above.

*Attached documents:*

- Resolution No **70**/2025/NQ-HĐQT

**PROSPERITY AND GROWTH COMMERCIAL  
JOINT STOCK BANK  
LEGAL REPRESENTATIVE  
CHAIRMAN OF THE BOARD OF DIRECTORS**



**Pham Manh Thang**



Hanoi, April 22<sup>th</sup>, 2025

No.: 70/2025/NQ-HĐQT

## RESOLUTION

### Regarding the Amendment and Supplementation of the 2025 Annual General Meeting of Shareholders Documents

#### BOARD OF DIRECTORS

- Pursuant to the Law on Enterprises 2020 and its amendments and supplements;
- Pursuant to the Law on Credit Institutions 2024 and implementing documents;
- Pursuant to the Charter of Prosperity and Growth Commercial Joint Stock Bank (PGBank);
- Pursuant to the Regulations on organization and operation of the Board of Directors No. QC.BM.015 dated April 20, 2024;
- Pursuant to the Minutes of vote counting No 60/2025/BBKP-HĐQT dated 22/04/2025 of the Board of Directors.

## RESOLVE:

**Article 1:** Notification on the Amendment and Supplementation of the Documents for the 2025 Annual General Meeting of Shareholders as follows:

1. Regulations on Organizing the 2025 Annual General Meeting of Shareholders;
2. Board of Directors' Assessment Report on 2024 Performance, the 2020–2025 Term, and Orientation for 2025 Activities, the 2025–2030 Term;
3. Supervisory Board's Assessment Report on 2024 Performance, the 2020–2025 Term, and Orientation for 2025 Activities, the 2025–2030 Term;
4. Chief Executive Officer's Assessment Report on 2024 Business Results and 2025 Business Plan;
5. Proposals for Shareholders' Approval:
  - o Proposal No. 01: Approval of the Audited Financial Statements for 2024 and the Profit Distribution Plan;
  - o Proposal No. 02: Approval of the 2024 Remuneration, Bonus, and Other Benefits for the Board of Directors and Supervisory Board, and the 2025 Operating Budget for the Board of Directors and Supervisory Board;
  - o Proposal No. 03: Approval of the 2025 Business Plan;
  - o Proposal No. 04: Approval of the Selection of an Independent Auditing Firm;
  - o Proposal No. 05: Approval of the Proposed Remedial Plan in Case of Early Intervention;
  - o Proposal No. 06: Approval of the Charter Capital Increase of PGBank;





- o Proposal No. 07: Election of Members of the Board of Directors and Supervisory Board for the 2025–2030 Term.

*Detailed documents are attached.*

**Article 2:** This Resolution takes effect from the date of its signing.

**Article 3:** Members of the Board of Directors, General Director and related units and individuals shall be responsible for implementing this Resolution.

**Recipients:**

- As Article 3;
- Board of Supervisors;
- Save: VT, BOD Office.

**ON BEHALF OF BOARD OF DIRECTORS  
CHAIRMAN**



**Phạm Mạnh Thang**



**REGULATION**  
**ON ORGANIZATION OF THE 2025 ANNUAL GENERAL MEETING OF**  
**SHAREHOLDERS OF**  
**PROSPERITY AND GROWTH COMMERCIAL JOINT STOCK BANK**

**Article 1. Governing Scope and Applicable Entities**

- 1.1. This Regulation shall apply to the organization of the 2025 Annual General Meeting of Shareholders ("GMS") of Prosperity and Growth Commercial Joint Stock Bank ("PGBank").
- 1.2. This Regulation set forth provisions on the rights and obligations of Shareholders, their proxies, attending parties; conditions and procedures for the GMS.
- 1.3. Shareholders, their proxies, and attending parties of the PGBank's GMS shall be responsible for complying with the provisions of this Regulation.

**Article 2. Legal Basis**

- 2.1. 2020 Law on Enterprises, amendments and supplements (hereinafter referred to as "2020 Law on Enterprises"), and other relevant legislative documents.
- 2.2. 2024 Law on Credit Institutions.
- 2.3. 2019 Law on Securities.
- 2.4. Decree No. 155/2020/ND-CP detailing and guiding the implementation of a number of articles of the Law on Securities by the Government on December 31, 2020.
- 2.5. Circular No. 116/2020/TT-BTC dated December 31, 2020 by the Ministry of Finance on guidance on certain provisions regarding corporate governance applicable to public companies in Decree No.155/2020/ND-CP dated December 31, 2020 by the Government on elaboration of some articles of the Law on Securities.
- 2.6. The PGBank's Charter was approved by PGBank's General Meeting of Shareholders under Resolution No. 05/2024/NQ-DHĐCĐ dated April 20, 2024 (hereinafter referred to as "Charter").

**Article 3. General Principles of the GMS**

- 3.1. The GMS shall be held in an open, fair, and democratic manner.
- 3.2. The legitimate rights and interests of shareholders and PGBank shall be guaranteed.
- 3.3. All applicable laws, PGBank requirements and this Regulation shall be followed.

**Article 4. Order of the GMS**

- 4.1. Shareholders or their proxies shall follow the Organizing Committee's arrangements and locate the correct seat or area when they enter the meeting room.

- 4.2. Smoking in the meeting room, small talks, and use of audio and video recording devices are prohibited; Cell phones must be kept on mute, and order must be maintained during the GMS session.

#### **Article 5. Speaking opinions at the GMS**

- 5.1. Shareholders or their proxies can express their opinions and discuss at the GMS by registering their speech with the Secretariat who shall summarize and report to the Presiding Committee.
- 5.2. In the spirit of constructive criticism, shareholders or their proxies should concentrate on the main topics included in the agenda that the GMS has approved.

#### **Article 6. Rights and obligations of shareholders or their proxies with regards to the GMS**

##### **6.1. Eligibility:**

On the closing date of registration, shareholders named in the list of shareholders with the right to attend the GMS are entitled to attend the GMS in person or authorize another person to do so. The authorization to attend meetings as specified in the 2020 Law on Enterprises, Charter, and other applicable requirements shall all be followed by shareholders.

In case there is more than one proxy attending as prescribed by law, the shareholder must specifically determine the number of shares held by each proxy. In case the number of shares for each proxy is not determined by the shareholders, such number shall be divided equally among all proxies.

##### **6.2. Rights of shareholders or their proxies with regards to the GMS:**

- a) 01 Voting Ballot, 01 Voting Card, meeting handouts, and any other materials (if any), following registration to attend the GMS as a shareholder with the Shareholder Eligibility Verification Committee, shall be given, along with instructions on how to vote in accordance with PGBank's rules.
- b) Under the direction of the Presiding Committee, shareholders or their proxies have the right to attend the GMS, speak in person, and/or submit comments to the GMS Organizing Committee (if any).
- c) Any shareholders or their proxies arriving late at the GMS are entitled to register and vote on the matters yet to be voted on after registration. The Chair is not obligated to pause the meeting in such a case. The previously voted matters shall not be affected.
- d) Shareholders or their proxies may discuss and vote on all matters included in the GMS's agenda in accordance with the other legislative documents, Charter, and this Regulation.

##### **6.3. Obligations of Shareholders or their proxies with regards to the GMS:**

- a) In accordance with the guidelines set forth by the Organizing Committee, shareholders or their proxies must register to attend the GMS and provide the required documentation, including:
  - i. For individual shareholders:
    - In the case of attending in person the GMS, shareholders shall present:
      - Original valid ID Card/Passport.

- In case the representative authorized by shareholder attends the GMS in person, the following shall be presented:
  - Original valid ID Card/Passport of the proxy; and
  - Original valid Power of Attorney to the GMS.
- ii. For institutional shareholders:
  - In case the legal representative/representative in charge of the shareholder's contributed capital attends the GMS in person, the following shall be presented
    - Certified copy of Business Registration Certificate/Establishment Decision; and
    - Original valid ID Card//Passport of the legal representative/representative in charge of the shareholder's contributed capital; and
    - Copy of the Form designating the representative in charge of the shareholder's contributed capital (should such a representative be designated by shareholders attending at the GMS).
  - In case the legal representative/proxy (in charge of the contributed capital) of a shareholder authorizing another person attends the Meeting, the following shall be presented
    - Certified copy of Business Registration Certificate/Establishment Decision; and
    - Original valid ID Card/Passport of the authorized person attending the GMS; and
    - Copy of the Form designating the representative in charge of the shareholder's contributed capital (should such a representative be designated by shareholders attending at the GMS); and
    - Original valid Power of Attorney to the GMS.
- b) Shareholders and their proxies shall confidentiality, use and preserve documents in accordance with legal requirements and PGBank's periodic regulations, and refrain from copying or sharing information with non-attendees without the Presiding Committee's consent.
- c) The provisions of law, regulations in this Charter and this Regulation shall be followed.
- d) The direction of the GMS Presiding Committee and the GMS Organizing Committee shall be followed.
- e) No actions shall be taken to obstruct, disrupt or disrupt the GMS session.

#### **Article 7. Rights and obligations of the Shareholder Eligibility Verification Committee**

The Shareholder Eligibility Verification Committee elected by the PGBank's Board of Directors (the "BoD") shall be responsible for the following tasks:

- 7.1. To check documents provided by shareholders or their proxies to verify their eligibility as per prescribed in Point a, Clause 6.3, Article 6 hereof.
- 7.2. To determine the percentage of shareholders and/or their proxies attending the GMS.
- 7.3. To provide shareholders and their proxies with voting cards, ballots, meeting handouts and other

materials (if any).

- 7.4. To report the results of the shareholder eligibility verification to the GMS.

#### **Article 8. Rights and obligations of the Vote Counting Committee**

The Vote Counting Committee shall be elected by the GMS as per the nomination by the Chair. Rights and duties of the Vote Counting Committee as follows:

- 8.1. To guide the use of ballots and voting cards for shareholders and their proxies
- 8.2. To count the voting cards, collect the ballots at the end of the voting period in line with the GMS Agenda, and proceed to count the votes.
- 8.3. To prepare Minutes of vote counting and report to the GMS on vote counting results.
- 8.4. To report any concerns regarding vote counting results or violations of voting rules to the Presiding Committee for consideration and resolution.
- 8.5. To take the responsibility to the Presiding Committee and the GMS in performing their duties.

#### **Article 9. Rights and responsibilities of the Chair and the Presiding Committee**

The GMS shall be chaired by the Chairman of the BoD. The Chair shall appoint members of the Presiding Committee. The Presiding Committee is approved by the GMS and performs necessary tasks to conduct the meeting. Rights and duties of the Chair and the Presiding Committee as follows:

- 9.1. To conduct the GMS in a way that is both orderly and compliant with the approved agenda and Regulations, while also allowing the meeting to represent the desires of the majority of participating shareholders.
- 9.2. To resolve any issues that arise (if any) during the GMS.
- 9.3. To suggest a change to the meeting's agenda to the GMS; To postpone/suspend the GMS; change the meeting location in accordance with the provisions of the PGBank's Charter and applicable laws.
- 9.4. To decide on the security measures required to uphold law and order, guarantee the GMS's safety, and perform other duties as outlined in the PGBank Charter and applicable laws.

#### **Article 10. Rights and duties of the Secretariat**

The Secretariat and the Head of the Secretariat, shall be appointed by the Chair with the following rights and duties:

- 10.1. To fully and honestly record the entire content of the GMS session and all matter that was put to a vote by shareholders and their proxies during the meeting.
- 10.2. To prepare the Minutes of the General Meeting of Shareholders.
- 10.3. To draft the Resolution of the General Meeting of Shareholders on matters approved at the Meeting.
- 10.4. To gather the views expressed at the meeting and forward them to the Presiding Committee via the opinions of shareholders and their proxies.
- 10.5. The Minutes of the General Meeting of Shareholders are signed by the Head of the Secretariat on behalf of the Secretariat.

10.6. To perform other tasks assigned by the Presiding Committee.

#### **Article 11. Conditions for the GMS**

The GMS shall proceed when shareholders and proxies present represent more than 50% of the total voting shares.

#### **Article 12. Conduct of the GMS**

- 12.2. Vote by raising the Voting Card: This method is used to approve the following: List of members of the Presiding Committee; Vote Counting Committee; Agenda of the General Meeting of Shareholders; Resolution of the General Meeting of Shareholders; Minutes of the General Meeting of Shareholders; Resolutions of the General Meeting of Shareholders and other documents in line with the Agenda beyond the voting scope as specified in the Ballots (if any).
- 12.3. Vote by filling out the Ballot: This method is used to approve the Proposals at the GMS that have been decided upon and clearly stated in the ballot provided to each shareholder and their proxy.
- 12.4. The principles and methods of voting are specifically stipulated in Appendix I issued with this Regulation.

#### **Article 13. Approval of Meeting Decisions**

The Resolution of the GMS shall be considered approved if passed by shareholders or their proxies representing more than 50% of the total voting shares attending the Meeting;

#### **Article 14. In the event of failure to conduct the GMS**

- 14.1. In case the first 2025 Annual General Meeting of Shareholders is not eligible to be held according to the provisions of Article 11 hereof, the second meeting invitation shall be sent within thirty (30) days from the expected date of the first meeting. The second 2025 Annual General Meeting of Shareholders shall be held if shareholders or their proxies represent at least 33% of the total voting shares present at the meeting
- 14.2. In case the second 2025 Annual General Meeting of Shareholders is not eligible to be held according to the provisions of Article 1 hereof the third meeting invitation shall be sent within thirty (20) days from the expected date of the second meeting. In this case, the third 2025 Annual General Meeting of Shareholders shall be held regardless of the total number of votes of shareholders and proxies of shareholders attending the meeting.

#### **Article 15. Minutes of the Meeting**

All matters and contents presented at the Meeting shall be included in the Minutes of the General Meeting of Shareholders by the Secretariat and shall be approved prior to the meeting's end. Resolutions of the General Meeting of Shareholders are issued based on the Minutes of the Meeting. Minutes of the Meeting and Resolutions of the General Meeting of Shareholders are kept at PGBank.

#### **Article 16. Effective Date**

- 16.1. This Regulation shall take effect immediately upon being voted and approved by the General Meeting of Shareholders at the Meeting.



16.2. Shareholders, their proxies, and attending parties shall be responsible for complying with the provisions of this Regulation./.

**ON BEHALF OF GENERAL MEETING OF  
SHAREHOLDERS  
THE CHAIRMAN**

**PHẠM MẠNH THẮNG**

## **APPENDIX I**

### **VOTING RULES**

*(Attached to the Regulation on organization of the 2025 Annual General Meeting of Shareholders of  
PGBank)*

#### **I. Scope of Application:**

This Appendix is used for voting to approve the Proposals and requests at the 2025 Annual General Meeting of Shareholders of PGBank.

#### **II. Voting method by Voting Cards**

1. This method is used to approve the following: List of members of the Presiding Committee; Vote Counting Committee; Agenda of the General Meeting of Shareholders; Resolution of the General Meeting of Shareholders; Minutes of the General Meeting of Shareholders; Resolutions of the General Meeting of Shareholders; other documents in line with the Agenda beyond the voting scope as specified in the Ballots (if any). These contents shall be voted on by raising Voting Cards directly at the Meeting and approved if passed by shareholders or their proxies representing more than 50 of the total voting shares attending the Meeting.
2. Voting at the GMS shall be conducted by the Chair in line with the agenda approved by the GMS.
3. At the Chair's request, the shareholders and their proxies who favor the proposal raise their voting cards first, followed by those who against it and, lastly, At the Chairman's request, the shareholders and their proxies who favor the proposal raise their voting cards first, followed by those who against it and, lastly, those who abstain.
4. The voting on a matter shall be deemed invalid if a shareholder or their proxy does not raise the Voting Card in all three votes of "Favor," "Against," or "Abstention" on the matter being consulted, or if they raise the Voting Card more than once in the three votes of "Favor," "Against," or "Abstention" on the matter being consulted.
5. When shareholders or their proxies submit their votes, the Vote Counting Committee shall tally the votes directly. The Chair shall then make public the voting results prior to the General Meeting for each topic on which the General Meeting is asked to provide input.

#### **III. Voting method by Ballots**

1. This method is used to approve Proposals at the GMS.
2. Voting method
  - 2.1. Secret ballots are used for ballot voting.
  - 2.2. Shareholders and their proxies choose one of three options: "Favor," "Against," or "Abstention" by marking (X) or (✓) checking the applicable box. Before the ballot is sent to the Vote Counting Committee, shareholders and their proxies must sign it and provide their full names. The shareholder and their proxy wants to change the selected option; it is required to circle the selected box and select the correct option again. If shareholder and their proxy wants to re-select the circled option, highlight it in black and sign next to the edited options.

- 2.3. Following the presentation of all items for voting by the Presiding Committee in accordance with the approved Meeting Agenda, the GMS shall cast its vote and, per the Vote Counting Committee's instructions, forward the Ballots to the sealed ballot box at the GMS.

### **3. Ballot/Voting items**

- 3.1. Ballots are pre-printed ballots issued by the Organizing Committee. When a shareholder or proxy registers for shareholder eligibility verification and satisfies the requirements to attend the GMS, they are issued voting ballots, which are used to cast their votes at the Meeting. The ballot clearly lists the shareholder's name, the proxy's name, the number of shares they own, and the corresponding number of voting ballots.
- 3.2. The ballots listed below are deemed invalid:
- The ballot is not issued by the Organizing Committee.
  - The ballot is torn, contains additional text and characters written on it, and has pre-printed material that is not in line with the requirements in Point 2.2, Clause 2, Section III above that has been removed or amended.
  - The ballot chooses more than one of the three choices—"Favor," "Against," or "Abstention"—or none of the three options are marked with an X or a () on the ballot: "Favor"/"Against"/"Abstention".
  - Neither a signature nor the valid name of the signatory are clearly visible on the ballot.
  - Neither a signature nor the valid name of the signatory are clearly visible on the ballot.
  - Following the conclusion of voting and the sealing of the ballot box, the ballot shall be given to the Vote Counting Committee.

### **4. Vote counting**

- The Vote Counting Committee is required to count the votes at the counting room as soon as the voting is finished. The Vote Counting Committee is not allowed to erase or change any information or content on the Ballots.
- Invalid ballots shall not be counted in the vote count.

### **5. Announcement of vote counting results**

- 5.1. The Vote Counting Committee shall prepare the vote counting minutes, and the Head shall read the vote counting results report to the GMS.
- 5.2. According to PGBank's rules, the vote counting minutes must be given to the Secretariat and retained with the GMS's paperwork.



No.: 2025/BC-HDQT

Hanoi, dated 2025

**DRAFT**

**REPORT OF THE BOARD OF DIRECTORS  
ON 2024 PERFORMANCE, TERM 2020 - 2025  
AND OPERATIONAL ORIENTATION FOR 2025, TERM 2025 - 2030**

**Dear: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank (PGBank),**

The Board of Directors (BOD) would like to report to the General Meeting of Shareholders (GMS) on the results of operations in 2024, the summary of the term 2020 - 2025 and the orientation for 2025, the term 2025 - 2030. As follows:

**A. THE BOARD OF DIRECTORS' REPORT ON 2024 PERFORMANCE,  
SUMMARY OF THE TERM 2020 - 2025**

**I. Results of directing the implementation of the Resolutions of the General Meeting of Shareholders**

**1. Business results**

In line with the contents approved by the General Meeting of Shareholders, the Board of Directors has oriented and directed the implementation of annual business solutions, aiming at growth, safety and sustainability. During the period from 2020 - 2024, the following important results were achieved:

Total assets will grow continuously from 12% -32% (by the end of 2024, total assets will reach over VND 73,015 billion, an increase of nearly 32% compared to 2023); Owner's equity will increase continuously from 5% -10% (by the end of 2024, owner's equity will reach over VND 5,166 billion, an increase of over 6% compared to 2023), of which charter capital in 2024 will reach VND 4,200 billion through the issuance of capital increase from owner's equity to increase VND 1,200 billion.

Customer deposits: In the context of the Covid-19 outbreak, customer deposits at PGBank decreased slightly in 2021. Since 2022, customer deposits at PGBank have grown continuously again at a growth rate of 11% -21%.

Customer loans grew continuously in the period 2020-2024, especially high growth in 2023 and 2024 with growth rates of over 21% and over 16%, respectively.

Profitable business operations, pre-tax profit in 2024 doubled compared to 2020.

Always strictly control and ensure compliance with limits and safety ratios according to regulations of the State Bank and the law, contributing to stabilizing bank operations: Capital adequacy ratio (CAR) is regularly maintained at 10% - 12%, always higher than the regulations of the State Bank. Credit quality is well controlled, bad debt ratio is below 3%, in which the bad debt ratio in the period from 2020-2023 increased slightly in the context of general difficulties of the economy, but by the end of 2024, credit quality will improve, and the bad debt ratio will decrease to 2.07%.

Operating efficiency generally improved in the 2020-2022 period; however, by 2023, non-credit income decreased, operating costs increased, leading to a decrease in efficiency

indicators, but by 2024, bank profits increased again, ratios improved positively, creating a premise for development in the next period. *(PGBank's business results for the period 2020 - 2024 are detailed in the attached Appendix 01. Regarding the 2024 business performance results presented in the General Director's Report on Business Results for 2024 and Business Plan for 2025 presented at the Meeting).*

## 2. Selection of an independent auditing organization

Pursuant to the authorization of the annual General Meeting of Shareholders, the Board of Directors has approved the policy of hiring an independent auditor to: Reviewing the Interim Financial Report, auditing the financial report, evaluating the performance of PGBank's internal control system during the fiscal year and necessary activities in accordance with the provisions of law in each period.

In 2024, PGBank has chosen: Deloitte Vietnam Auditing Company Limited *(to perform the Review of Interim Financial Statements, audit the financial statements and evaluate the performance of PGBank's internal control system during the fiscal year)* and UHY Auditing and Consulting Company Limited *(to audit the 6-month and annual periodic reports on the use of proceeds from bond issuance for outstanding bonds of PGBank)* and at the same time, make information disclosure as prescribed.

## 3. Consolidation of senior leadership personnel; Remuneration of the Board of Directors

PGBank Board of Directors for the 2020 - 2025 term was elected at the 2020 Annual General Meeting of Shareholders. During the term, there were changes in the personnel structure to improve the management apparatus, meeting the development requirements and business strategies of the Bank. The elected members of the Board of Directors all have extensive experience in finance, banking and large corporate governance. This helps strengthen administration capacity in line with PGBank's development goals. Up to now, PGBank's Board of Directors consists of 06 members, including 02 independent members. The personnel structure of the Board of Directors ensures compliance with current laws and internal regulations of PGBank. The list of Board members for the 2020-2025 term is as follows:

No.	Member of the Board of Director	Position
1	Mr. Pham Manh Thang	Chairman of the Board of Director
2	Mr. Dao Phong Truc Dai	Vice Chairman of the Board of Director
3	Mr. Vuong Phuc Chinh	Member of the Board of Director
4	Mr. Dinh Thanh Nghiep	Member of the Board of Director
5	Mr. Dao Quoc Tinh	Independent Member of the Board of Directors

6	Ms. Cao Thi Thuy Nga	Independent Member of the Board of Directors
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- Remuneration and operating budget of the Board of Directors: Members of the Board of Directors are entitled to remuneration, bonuses and other benefits and the Board of Directors' operating budget according to work performance and PGBank's business plan, ensuring that the use of the remuneration fund and the Board of Directors' operating budget is within the limits approved annually by the General Meeting of Shareholders, in accordance with the Charter and relevant current internal regulations of PGBank. *Details of remuneration, bonuses and other benefits and operating expenses of the Board of Directors in 2024 are stated at Report No. 02 on Finalization of remuneration, bonuses, other benefits and operating budget of the Board of Directors and Board of Supervisors in 2024 and Approval of remuneration, bonuses, other benefits and operating budget of the Board of Directors and Board of Supervisors in 2025 presented to the General Meeting of Shareholders.*

#### **4. Implementation of the plan to increase charter capital**

In the period of 2020 - 2025, implementing the Resolution of the General Meeting of Shareholders, PGBank has increased its charter capital to VND 5,000 billion, including:

- **Regarding the increase in equity capital from owners' equity to increase charter capital by VND 1,200 billion according to the Resolution of the Extraordinary General Meeting of Shareholders in 2023:** Complete the issuance to increase charter capital from equity from VND 3,000 billion to VND 4,200 billion in the first quarter of 2024. Sources used to increase capital from accumulated undistributed profit after tax and reserve fund to supplement charter capital. PGBank has announced information on the progress/status of capital use from the issuance in accordance with the law.

- **Regarding the issuance of shares to existing shareholders to increase charter capital by VND 800 billion according to the Resolution of the 2024 Annual General Meeting of Shareholders:** PGBank has carried out procedures for issuing shares to existing shareholders in accordance with legal regulations and has received written approval from management agencies (*The contents have been disclosed in accordance with legal regulations*). Specifically:

- On May 28, 2024, PGBank's Board of Directors issued Resolution No. 95/2024/NQ-HDQT on implementing the increase in charter capital.
- On June 28, 2024, PGBank received approval from the State Bank to increase charter capital;
- On November 26, 2024, PGBank's Board of Directors issued Resolution No. 265/2024/NQ-HDQT on adjusting the capital use plan in the Charter Capital Increase Plan attached to Resolution No. 95/2024/NQ-HDQT;
- On December 19, 2024, PGBank's Board of Directors issued Resolution 286/2024/NQ-HDQT on adjusting the capital use plan in the Charter Capital Increase Plan attached to Resolution No. 95/2024/NQ-HDQT;
- On February 28, 2025, the State Securities Commission issued Certificate No. 43/GCN-UBCK on registration of additional public offering of shares to PGBank.



- Currently, PGBank is taking the final steps according to the process and is expected to complete the increase in charter capital to VND 5,000 billion in the second quarter of 2025.

#### **5. Change of trade name**

After receiving approval from the 2023 General Meeting of Shareholders on the change of trade name, the Board of Directors directed and supervised the synchronous implementation of related procedures and activities to complete the identification of PGBank with the new brand name, including the specific directed and supervised implementation tasks such as: Request approval from the State Bank and receive approval documents; Amend and supplement licenses and business registration certificates; Communication and information disclosure work. Up to now, PGBank has completed the implementation of brand identity work in sync with the basic construction and network development work in the entire system in accordance with the provisions of law and internal regulations of PGBank.

#### **6. Change of location of PGBank Head Office**

With a stable orientation for sustainable development after changing the brand identity, perfecting and developing the apparatus according to a modern model while being ready to meet the requirements of facilities for preserving and storing data of the banking information system. Based on the expected future development scale of the Bank, PGBank submitted and received approval from the General Meeting of Shareholders on August 26, 2024 on changing the location of the Head Office. In order to implement the Resolution of the General Meeting of Shareholders, the Board of Directors has directed the implementation of work to change the location to a new area in accordance with practical operational needs and legal regulations. On February 26, 2025, the State Bank issued Official Dispatch No. 735/TTGSNH2 approving the change of PGBank's head office location. Currently, PGBank is carrying out relevant legal procedures to complete the relocation of PGBank's Headquarters, recording information about the Headquarters on PGBank's License in accordance with legal regulations.

#### **7. Development, supervision and direction of the step-by-step implementation of the restructuring plan associated with bad debt settlement at PGBank for the period 2021-2025**

Pursuant to the Resolution of the Extraordinary General Meeting of Shareholders in 2023 on assigning the Board of Directors to develop and implement the Restructuring Plan for the period 2021-2025 under the direction of the Prime Minister in Decision No. 689/QĐ-TTg dated June 8, 2022 on approving the project: "Restructuring the system of credit institutions associated with bad debt settlement in the period of 2021-2025" and the action plan of the banking industry, the Board of Directors has directed the completion of the development of the Restructuring Plan associated with bad debt settlement at PGBank in the period of 2021-2025 and has been approved by the State Bank according to Official Dispatch No. 796/TTGSNH2 dated February 23, 2024.

Immediately after the project was approved by the State Bank, the Board of Directors resolutely directed the Executive Board to synchronously deploy solutions to gradually achieve

the committed goals in the project. By 2024, some encouraging results were achieved as follows: (1) Always strictly control and ensure compliance with limits and safety ratios according to regulations of the State Bank and the law, contributing to stabilizing the bank's operations; (2) Increase charter capital, improve capital safety ratio to enhance financial capacity and operational safety of PGBank. In 2024, PGBank increased its charter capital to VND 4,200 billion and is expected to continue to increase its charter capital to VND 5,000 billion in the second quarter of 2025 according to the Resolution of the General Meeting of Shareholders; (3) Complete the credit growth target assigned by the State Bank and (4) Asset quality has improved over the years.

In 2025, PGBank will continue to focus all resources and synchronously deploy solutions to achieve the project's goals, creating a solid development foundation for the next 5 years.

## **II. Results of the Board of Directors' management work**

### **1. Summary of Board of Directors Meetings and Resolutions**

Comply with legal regulations in each period, especially the Law on Credit Institutions and the Charter, Regulations on the organization and operation of the Board of Directors, Internal regulations on Bank governance, PGBank's Board of Directors has organized the implementation of the Resolutions of the General Meeting of Shareholders (GMS) and through regular monthly meetings as well as collecting written opinions to decide on policies and orientations as the basis for the Executive Board to organize and implement action plans. Accordingly, over the past 5 years, the Board of Directors has held 50 direct meetings. In addition, it has conducted voting to approve issues under the authority of the Board of Directors, on that basis, it has issued 766 Resolutions. In 2024, the Board of Directors held 8 direct meetings and collected 215 written opinions from Board members, thereby issuing 325 Resolutions.

The Board of Directors' Resolutions mainly focus on the following key issues:

- Organize annual General Meeting of Shareholders and extraordinary General Meeting of Shareholders to resolve issues under the authority of the General Meeting of Shareholders and perfect the senior personnel apparatus of the Board of Directors, Board of Supervisors (BOS), and General Director (GD);
- Issue new/amend and supplement a number of regulations to complete PGBank's internal regulations system such as: Lending regulations; Credit approval regulations; Information security regulations; Regulations on asset classification, provisioning levels, risk provisioning methods and the use of provisions to handle risks in PGBank's operations; Regulations on debt purchase and sale activities; Bank guarantee regulations; Regulations on organization and operation of the Executive Board; ...
- Appointing, dismissing, transferring personnel under the authority of the Board of Directors; Perfecting the personnel of the Councils and Committees advising and assisting the Board of Directors; Approving welfare regimes, personnel policies, emulation and reward mechanisms, evaluating and classifying individuals/collectives under the authority of the Board of Directors;
- Credit facilities of customers are under the approval authority of the Board of Directors according to the provisions of law and internal regulations of PGBank; Plans for handling

and recovering some large outstanding debts of customers are under the authority of the Board of Directors;

- Approval of the Private Bond Issuance Plan of the Prosperity and Growth Commercial Joint Stock Bank;
- Other issues such as: Establish/relocate some branches and transaction offices; Organize the event "30th anniversary celebration and launch of PGBank's new brand identity",...

## **2. Activities of the Board of Directors members**

The Board of Directors' management and supervision activities over the Executive Board are carried out in accordance with the provisions of the Law, PGBank's Charter, the Board of Directors' Organization and Operation Regulations and the Bank's internal management regulations.

The Board of Directors has issued a decision on the assignment of duties and powers of the Board of Directors members, specifically assigning the duties and powers of the Board of Directors members in each specific field. The Board of Directors and the Chairman of the Board of Directors evaluated the performance of each member of the Board of Directors, accordingly, each member of the Board of Directors fully performed their duties, responsibilities and powers according to the Charter, Regulations of PGBank and legal regulations, ensuring the overall performance of the Board of Directors.

Members of the Board of Directors participate in contributing to the development of the Bank's annual operational objectives, strategic orientation/assignment of the system's business plan and creating resources for the Executive Board to carry out its tasks; Discuss and vote on issues under the authority of the Board of Directors and are responsible for their decisions; At many important meetings of the Executive Board, there is the participation of direction and orientation by the Chairman of the Board of Directors/members of the Board of Directors in charge of related areas.

## **3. Activities of Independent Board Members**

Independent members of the Board of Directors exercise their rights and obligations as Independent Members of the Board of Directors in accordance with PGBank's internal regulations and the assignment decision of the Board of Directors/Chairman of the Board of Directors in a careful and honest manner, contributing to the success of PGBank's annual business results. In 2024, independent Board members attended Board meetings, 01 independent Board member participated in the Risk Management Committee (RMC) and gave full opinions on issues approved at meetings and issues approved in the form of written opinions.

Assessment of independent Board members on PGBank Board of Directors' performance: The Board of Directors has properly and fully performed its duties and powers in accordance with the law, the Charter and internal regulations of PGBank, and at the same time, continued to innovate and be determined in the management and supervision of the Executive Board in implementing the business plan approved by the General Meeting of Shareholders.

## **4. Activities of the Board of Directors' Support Committees as prescribed by law**



The Human Resources Committee and Risk Management Committee were established in accordance with the provisions of law and play an important role in advising the Board of Directors in performing the functions of governance and high-level supervision of PGBank's operations.

**Human Resources Committee:** It consists of 03 members, including 02 members of the Board of Directors and 01 member of the Executive Board. In 2024, the Human Resources Committee held regular and ad hoc meetings to provide timely advice and consultation on personnel and organizational matters so that the Board of Directors has sufficient information to make decisions, with the following basic contents: Salary and bonus policy in 2024, business motivation mechanism, adjustment and improvement of functions of 09 Headquarter units.

**Risk Management Committee:** It consists of 04 members, including 03 members of the Board of Directors and 01 member of the Executive Board. In 2024, the Risk Management Committee held regular and ad hoc meetings to promptly advise and consult the Board of Directors on risk management issues, including the following basic contents: Review, evaluate and advise the Board of Directors to consider and approve risk appetite for the 3 years 2024-2026; Recommend and direct the Executive Board to develop a plan to research and implement Basel III in 2025; Actively advise the Board of Directors in managing key risks within the entire bank, contributing to maintaining safe and stable operations of PGBank in the context of many economic difficulties.

## **5. Business orientation and strategy implementation monitoring**

On the basis of inheriting and promoting the achievements, closely following the contents approved by the General Meeting of Shareholders, the Board of Directors has oriented a safe and sustainable development strategy suitable for each stage.

In 2024, the Board of Directors has set effective targets for all business activities (Corporate Banking, Retail Banking, Capital Trading, Services, Credit Quality and Debt Handling, etc.) and supervised the Executive Board to resolutely implement strategic orientations and promote business activities. At the same time, PGBank's Board of Directors has directed to improve competitiveness focusing on the following contents: i) Strongly restructure the Headquarters, streamline the organizational model; ii) Promote institutional and mechanism reform, streamline the internal document system; iii) Modernize the information technology system to serve banking business activities. iv) Regarding people and corporate culture: Standardizing for job title groups in the Bank, prioritizing sales staff, customer service staff, and management staff. Building a business culture, a culture of compliance, promoting PGBank people with ethics and responsibility, honesty and discipline, understanding and consulting, accompanying and connecting, innovating and adapting, oriented towards results, committed to bringing sustainable values.

## **III. Board of Directors' assessment of the performance of the General Director and Executive Board in 2024**

### ***1. The Board of Directors' supervision of the General Director and the Executive Board***

The Board of Directors has performed the task of supervising and directing the General Director in performing the assigned tasks as prescribed in the PGBank Charter, with special attention paid to supervising and directing the implementation of business plans/business strategies and activities that the Board of Directors assesses as having significant risks for the Bank.

The Board of Directors and its members have proactively performed their supervisory functions through direct and indirect forms, conducting pre- and post-supervision of the General Director and the Executive Board in accordance with the Law and PGBank's regulations. Accordingly, in 2024, the Board of Directors has implemented:

- Participate in important Board meetings and thematic meetings for areas requiring supervision;
- Direct the development, approval and promulgation of policies on internal supervision, risk management, and internal assessment of capital adequacy at PGBank;
- Conduct supervision through the periodic business activity reporting system and reports/proposals arising from the General Director; Review, direct the implementation and request notification of the implementation results of the recommendations and proposals of the Board of Supervisors and Internal Audit for the Bank's Units;
- In addition, the Board of Directors also uses committees to assist in the process of organizing and implementing supervision work with the General Director.

## ***2. The Board of Directors' assessment of the performance of the General Director and Executive Board in 2024***

In the process of performing the task of directing and supervising the activities of the General Director, the Executive Board, and the Board of Directors have the following assessments:

- The General Director and the Board of Directors have fully performed their roles in managing the Bank, implementing the proposed business targets and operational orientations;
- The General Director and the Executive Board shall provide information, reports and explanations fully, accurately and on time on the Bank's operations at the Board of Directors' meetings and on specific issues when requested by the Board of Directors;

Under the direction of the Board of Directors, PGBank has achieved positive results, reflecting the continuous efforts of all staff and the trust of shareholders and customers (business results have been reported in section I.1).

In the context of the world economy and Vietnam facing many difficulties and challenges in 2024, the Board of Directors acknowledges the efforts of the General Director and the Executive Board in management, which have made steady progress in improving business efficiency and risk management.

However, there are still some limitations that need to be improved further to compete effectively as follows: It is necessary to improve the efficiency of management and operation to

maximize the working capacity of the system; pay more attention to investment and implementation of technology projects, digital transformation to meet the requirements of rapid growth and digitalization trends; and improve the proportion of service revenue and non-interest revenue. At the same time, it is necessary to pay more attention to building corporate culture and developing breakthrough human resource policies to motivate employees and attract talent.

#### **IV. Shareholder and investor relations**

PGBank strictly implements information disclosure in accordance with current regulations, ensuring full, accurate and honest information disclosure to management agencies through the Bank's website, the public information portal of the Hanoi Stock Exchange, the State Securities Commission, the disclosed information is always transparent, helping shareholders and investors grasp information about PGBank promptly. In which:

- Report on transactions between the company, subsidiaries, companies in which the public company controls 50% or more of the charter capital with members of the Board of Directors and related persons of such members in 2024: None.
- Transactions between companies in which a member of the Board of Directors is a founding member or a business manager within the last 3 years prior to the transaction: In 2024, PGBank conducted transactions with: PV-Inconess Investment Corporation, Viet Hung Industrial Park Development Joint Stock Company, Vietnam Automotive Industry Development Ltd managed by Mr. Dao Phong Truc Dai - Vice Chairman of PGBank Board of Directors. Total transaction value is VND 200,727,932,264. Transactions are fully disclosed, publicly and in accordance with regulations.
- Regarding the List of Insiders & Related Persons who are organizations and the List of Shareholders owning more than 1% of PGBank's charter capital & Related Persons according to Appendix 02 and Appendix 03 attached.

### **B. THE BOARD OF DIRECTORS' OPERATIONAL ORIENTATION FOR 2025, TERM 2025 - 2030**

#### **I. Socio-economic and market context**

In 2024, although the world economic context experienced many instabilities and unpredictable fluctuations, the Vietnamese economy also experienced a year with many ups and downs. Overcoming all difficulties, the Vietnamese economy in 2024 continued to recover positively, 15/15 main targets achieved and exceeded the plan set by the National Assembly, achieving a GDP growth rate of 7.09%, leading the region.

Entering 2025, the world and regional situation is forecast to continue to develop complicatedly; there are still risks affecting growth momentum such as geopolitical tensions, the risk of trade war, etc. Central banks around the world are forecast to continue to loosen monetary policy as inflation shows signs of cooling down, but the level of interest rate cuts will vary depending on the situation of each economy as well as policy developments in the US.

President Trump's unpredictable trade policies are creating a risky global economic landscape. US tariff policy affects economies around the world in general and Vietnam in particular. Vietnam's key export industries such as textiles, footwear, wooden furniture and



electronic components are facing the risk of declining growth momentum. At the same time, pressure from exchange rate fluctuations and foreign exchange risks also pose great challenges for management agencies and businesses.

To cope with this situation, businesses need to diversify markets, improve competitiveness and strengthen financial risk management. Banks and financial institutions need to improve their foreign exchange risk management systems, support businesses in implementing prevention tools and ensure financial stability in the context of economic fluctuations. These are considered necessary orientations to ensure stability and sustainable development in 2025 and the following years.

In the context of many intertwined opportunities, advantages, difficulties and challenges, the Government has promptly directed and steadfastly pursued the set growth target - the country's growth in 2025 will reach 8% or more, creating a solid foundation to achieve double-digit growth in the period 2026 - 2030, considering this an opportunity to strive to rise up, contributing to restructuring the economy, restructuring the market, production and export. The Government has requested Ministries/Sectors to resolutely and synchronously implement solutions affecting the development and orientation of the Banking industry, specifically:

- Digital transformation in finance: The Government and the State Bank are promoting digital transformation, moving towards a cashless economy.
- Inflation control, currency stability: Prudent monetary policy, prioritizing interest rate reduction but still controlling credit.
- Controlled credit growth: Credit for production and business is prioritized.
- Green banking development: Promote sustainable finance, credit support for green projects.

In 2025, the State Bank will continue to operate a proactive and flexible monetary policy to stabilize exchange rates, control inflation, while ensuring liquidity and safety of the banking system, effectively supplying capital to the economy, and creating favorable conditions for the development of credit institutions.

Regarding the development trend of Vietnam's financial and banking market in 2025 and the next period, there will be many opportunities but also many challenges:

- Fierce competition from digital banks & fintech along with changing customer behavior, creates a trend of customers shifting from traditional banks to digital platforms.
- Interest rate pressures and asset quality remain issues that need attention. Interest rates are likely to fall but bad debt may increase due to the global economic downturn.
- FDI inflows into Vietnam remain positive, especially in the technology and manufacturing sectors. This creates opportunities as well as challenges for banks in providing financial services to FDI enterprises in the current macroeconomic context.

## **II. Operational orientation in 2025 and term 2025 - 2030**

Based on the study of lessons learned, inheriting and promoting the achievements, based on the domestic and international macroeconomic context, policies affecting the banking industry

in general and from the operating situation of PGBank in particular, with the desire to create a breakthrough in development in the next 5 years, the Board of Directors orients PGBank's operations for 2025 and the 2025 - 2030 term as follows:

### 1. Target by 2030

PGBank's positioning in the market by 2030: Top 15 joint stock commercial banks with the highest growth in operating income (TOI).

Annual business goals for the period 2025 – 2030:

- Annual revenue growth of 25% to 30%;
- By 2030, Total Revenue/Total Operating Expense Ratio (CIR) <40%.
- Charter capital: Increase charter capital from 5,000 billion (2025) to at least VND 20,000 billion (2030).
- By 2030, the goal is to seek and cooperate with domestic and international strategic shareholders;
- Control credit quality, ensure bad debt ratio below 2%.
- Always comply with the limits and safety ratios as prescribed by the State Bank and the law.

For 2025, the Board of Directors has set operational goals, identifying 2025 as the year of "Building the foundation" for implementing PGBank's development strategy for the next 5 years. At the same time, the Board of Directors has established specific goals and detailed business targets for 2025 *in Submission No. 03 on approving the 2025 business plan for submission to the General Meeting of Shareholders for approval.*

### 2. Operational orientation for the period 2025 - 2030

To realize the goal by 2030, with the motto of action "Strong Development - Effective - Sustainable", the Board of Directors has oriented to build PGBank into a retail bank based on the **Digital Transformation platform**, with key strategic pillars for the period 2025-2030 including: (1) **Modernize IT and Strongly Transform Digitally**; (2) **Strengthen Risk Management and Sustainable Development**; (3) **Manage, develop human resources and optimize the operating system** and based on the platform of **Enhancing competitiveness through enhancing financial capacity, finding strategic shareholders and expanding investment opportunities** to diversify products, provide comprehensive financial services to customers, increase revenue and enhance brand value in domestic and international markets.

**Implementation orientation for some key activities:**

#### a. Modernizing IT and Strong Digital Transformation

- Upgrade and modernize the information technology system to best meet the increasing demands in the Bank's management and operations as well as the needs of customers following the inevitable trend of the 4.0 industrial revolution.
- Effectively deploy digital transformation projects and initiatives, focus on customers, enhance customer experience, develop new revenue streams through: Accelerate the launch of competitive retail/SME products to the market, increase the number of

transactions on digital channels to over 90%, increase market share, increase the proportion of non-interest income and ensure compliance with regulations on security in banking operations.

- Apply technology to standardize process systems, modernize reporting systems, and operate with high efficiency:
  - ✓ Streamline and automate processes, improve labor productivity, meet competitive requirements;
  - ✓ Standardize service quality metrics, redesign end-to-end process groups to increase work efficiency, processing speed, service quality and customer focus. Customer care at scale and value.
  - ✓ Improve financial and accounting management capacity, improve planning processes, build management reports and forecasts.

**b. Strengthening Risk Management and Sustainable Development**

- Strengthen internal inspection, control and compliance monitoring.
- Complete the system of policies and advanced risk management tools; focus on completing measurement, forecasting and warning models in banking activities,
- Establish a mechanism and process to monitor risk appetite and risk limits consistently and centrally, ensuring transparency, efficiency, and compliance with legal regulations and international standards and practices.
- As a bank that focuses on ESG, has high social responsibility, green and sustainable development.

**c. Management, human resource development and optimization of operating system**

- Improve the quality of human resources and attract talents with solid professional capacity, continuously learn and innovate in conjunction with digital transformation activities, promote labor productivity improvement, and enhance digital capacity training to be ready for the new era.
- Optimally manage human resource costs, build motivational mechanisms, create a civilized and professional working environment so that employees can work with complete peace of mind and contribute to the development of PGBank.
- Perfect the organizational structure and apparatus, ensuring streamlining, flexibility and planning, and improving the efficiency of the branch network.

**d. Improve competitiveness**

**i. Improve financial capacity**

- Increase charter capital from 5,000 billion (2025) to at least 20,000 billion (2030) to consolidate and enhance financial capacity, meet the needs of business expansion and promote product innovation and digital transformation, maximize resources, always ensure compliance with limits and safety ratios according to regulations of the State Bank and the law.

- Improve asset quality, especially credit quality, effectively manage costs, control cost growth rate lower than income growth rate; strive to achieve business goals and comply with legal regulations.

**ii. Looking for strategic shareholders and expanding investment opportunities**

- By 2030, PGBank aims to seek, select and cooperate with strategic shareholders to support the improvement of management capacity, expand customer base, relationship network and market, increase value and brand of PGBank in domestic and international markets.
- Enhance competitiveness through investment opportunities to diversify products, provide comprehensive financial services to customers, increase revenue and enhance brand value.

In summary, PGBank's Board of Directors has developed a 5-year operational orientation for the period 2025 - 2030, closely following the Government's orientation on socio-economic development and the State Bank's direction on organizing the implementation of key tasks of the banking industry as well as business development goals. The Board of Directors will continue to develop flexible goals, strategies, and detailed solutions for the period 2025-2030, in line with market developments. By inheriting and promoting the achievements and results gained over the years, and vigorously implementing business goals based on solidarity and consensus throughout the system, PGBank will overcome difficulties and challenges; innovate and create comprehensively in all areas of operation to develop strongly, effectively and sustainably.

The Board of Directors of PGBank for the 2020-2025 term would like to thank all Shareholders, State management agencies, relevant departments, customers, the Executive Board and all PGBank staff for trusting and accompanying the Board of Directors in the process of performing its tasks over the past 5 years and believe that PGBank will continue to promote its achievements with the foundation established over 31 years of development, from there, bring more values to customers, shareholders, communities, contributing to the prosperity of the country.

Respectfully submit to the General Meeting of Shareholders for approval of the report contents of the Board of Directors!

**Recipients:**

- *As Dear;*

- *Save: Archives, BPC, Office of the BOD.*

**FOR BOARD OF DIRECTORS**

**CHAIRMAN OF THE BOD**

**Pham Manh Thang**

### APPENDIX 01

#### PGBANK BUSINESS RESULTS FOR THE PERIOD 2020 - 2024

Unit: billion VND

No.	Items	2020	2021	2022	2023	2024
<b>I</b>	<b>Financial indicators</b>					
1	Charter capital	3,000	3,000	3,000	3,000	4,200
2	Total assets	36,153	40,521	48,991	55,491	73,015
3	Equity	3,930	4,181	4,585	4,864	5,166
4	Customer deposits	28,738	28,075	31,260	35,730	43,326
5	Issuance of securities	-	500	500	500	2,280
6	Customer Loans	25,675	27,499	29,051	35,335	41,533
<b>II</b>	<b>Business results</b>	-	-	-	-	-
1	Net interest income	904	738	1,210	1,301	1,659
2	Net income from non-interest activities	195	428	301	92	173
3	Total net operating income	1,099	1,166	1,511	1,393	1,831
4	Total operating costs	655	664	746	808	974
5	Net operating profit before credit risk provision expenses	444	501	766	585	857
6	Credit risk provision cost	232	178	260	234	432
7	Profit before tax	212	323	506	351	425
8	Net profit	170	258	404	280	340





## APPENDIX 02

### LIST OF INSIDERS AND RELATED PERSONS WHO ARE ORGANIZATIONS

No.	Full name	Position in the company	Insider/Shareholder Relationships	Type of NSH paper (Citizen identity, ID card, Business registration, Passport)	NSH certificate number	Date of issuance of NSH	Place of issue
1	Pham Manh Thang	Chairman of the BOD		Citizen Identity	022062001644	11/4/2021	Police Department on Administrative Management of Social Order
1.1	Kim Son - Invest Investment Joint Stock Company		Mr. Thang owns 5% of charter capital.	Business registration	0110105728	9/5/2022	Department of Planning and Investment of Hanoi City
2	Dao Phong Truc Dai	Vice Chairman of the Board of Director		Citizen Identity	031075009158	3/23/2021	Police Department on Administrative Management of Social Order
2.1	PV- Inconess Investment Corporation		Mr. Dai is a member of the Board of Directors and General Director.	Business Registration Number	0102294528	6/15/2007	Department of Planning and Investment of Ninh Binh Province
2.2	Viet Hung Industrial Park Development Joint Stock Company		Mr. Dai is Chairman of the Board of Directors and General Director.	Business Registration Number	5700690929	10/23/2007	Department of Planning and Investment of Quang Ninh Province
2.3	Vietnam Automotive Industry Development Ltd		Mr. Dai is the General Director.	Business Registration Number	5702056771	8/28/2020	Department of Planning and Investment of Quang Ninh Province

No.	Full name	Position in the company	Insider/Shareholder Relationships	Type of NSH paper (Citizen identity, ID card, Business registration, Passport)	NSH certificate number	Date of issuance of NSH	Place of issue
3	Vuong Phuc Chinh	Member of the Board of Director		Citizen identity number	001075004137	6/24/2021	Police Department on Administrative Management of Social Order
3.1	Tan Son Nhat Cargo Services and Forwarding Company Limited		Ms. Vuong Thi Phuc Minh, Mr. Chinh's biological sister, is the Chairman of the Board of Members.	Business Registration	4102038836	4/25/2006	Department of Planning and Investment of Ho Chi Minh City
4	Dinh Thanh Nghiep	Member of the Board of Director		Citizen Identity	087063015326	11/5/2024	Police Department on Administrative Management of Social Order
5	Dao Quoc Tinh	Independent Board Member		Citizen Identity	034062003219	8/6/2022	Police Department on Administrative Management of Social Order
6	Cao Thi Thuy Nga	Independent Board Member		Citizen Identity	001158014688	7/10/2021	Police Department on Administrative Management of Social Order
7	Tran Ngoc Dung	Head of the Board of Supervisors		Citizen Identity	079066037877	3/7/2022	Police Department on Administrative Management of Social Order
8	Trinh Manh Hoan	Full-time member of the Board of Supervisors		Citizen Identity	037057010753	7/8/2022	Police Department on Administrative Management of Social Order



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No.	Full name	Position in the company	Insider/Shareholder Relationships	Type of NSH paper (Citizen identity, ID card, Business registration, Passport)	NSH certificate number	Date of issuance of NSH	Place of issue
9	Ha Hong Mai	Full-time member of the Board of Supervisors		Citizen Identity	025181000176	22/06/2022	Police Department on Administrative Management of Social Order
10	Nguyen Van Huong	General Director		Citizen Identity	035080000568	22/11/2021	Police Department on Administrative Management of Social Order
11	Tran Van Luan	Permanent Deputy General Director		Citizen Identity	036084015127	18/12/2021	Police Department on Administrative Management of Social Order
12	Nguyen Trong Chien	Deputy General Director		Citizen Identity	040087000063	4/15/2023	Police Department on Administrative Management of Social Order
12.1	MG Sai Gon Joint Stock Company		Le Thi Thanh Ha is a member of the Board of Directors (Share ownership ratio: 20%)	Business Registration Number	0316793926	4/7/2021	Department of Planning and Investment of Ho Chi Minh City
12.2	CT Oto Company Limited		Le Thi Thanh Ha is a Capital Contributing Member (Shareholding Ratio: 50%)	Business Registration Number	0316627887	12/10/2020	Department of Planning and Investment of Ho Chi Minh City
13	Le Van Phu	Deputy General Director		Citizen Identity	030079005141	7/6/2022	Police Department on Administrative Management of Social Order
14	Nguyen Thi Thu	Assistant Finance		Citizen Identity	001169008929	7/10/2021	Police Department on



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No.	Full name	Position in the company	Insider/Shareholder Relationships	Type of NSH paper (Citizen Identity, ID card, Business registration, Passport)	NSH certificate number	Date of issuance of NSH	Place of issue
	Ha	Manager					Administrative Management of Social Order
15	Nguyen Thi Minh Thu	Bank Administrator		Citizen Identity	0030183008010	2/22/2022	Police Department on Administrative Management of Social Order



### APPENDIX 03

## LIST OF SHAREHOLDERS OWNING MORE THAN 1% AND NUMBER AND OWNERSHIP PERCENTAGE OF RELATED PERSONS

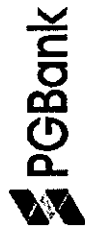
No.	Full name	Type of NSH paper (Citizen identity, ID card, Business registration, Passport)	NSH certificate number	Date of issuance of NSH	Place of issue	Number of shares	Share ownership ratio
1	CUONG PHAT INTERNATIONAL JOINT STOCK COMPANY	Business Registration Number	0106772542	9/2/2015	Department of Planning and Investment of Hanoi City	56,873,535	13.541%
	Related person					33,900	0.008%
2	GIA LINH TRADING DEVELOPMENT AND IMPORT EXPORT COMPANY LIMITED	Business Registration	0104948021	8/10/2010	Department of Planning and Investment of Hanoi City	55,014,425	13.099%
	Related person					-	0.000%
3	VU ANH DUC TRADING JOINT STOCK COMPANY	Business Registration	0800839877	9/6/2010	Department of Planning and Investment of Hai Duong Province	56,110,919	13.360%
	Related person					-	0.000%
4	Van Le Hang	Citizen Identity	001193028001	4/29/2021	Police Department on Administrative Management of Social Order	20,062,980	4.777%
	Related person					-	0.000%
5	Le Quang Huy	Citizen Identity	001204018315	7/20/2021	Police Department on	20,650,000	4.917%





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No.	Fullname	Type of NSH paper (Citizen identity, ID card, Business registration, Passport)	NSH certificate number	Date of issuance of NSH	Place of issue	Number of shares	Share ownership ratio
	Related person				Administrative Management of Social Order	-	0.000%
6	Tran Thi Thu Nga	Citizen Identity	030178010617	4/14/2023	Police Department on Administrative Management of Social Order	20,124,609	4.792%
	Related person					-	0.000%
7	Bui Chinh Huu	Citizen Identity	001086009092	4/8/2021	Police Department on Administrative Management of Social Order	20,414,198	4.861%
	Related person					-	0.000%
8	Ta Van Manh	Citizen Identity	001086051032	11/1/2021	Police Department on Administrative Management of Social Order	19,050,976	4.536%
	Related person					-	0.000%
9	Do Thi Nu	Citizen Identity	034191003300	9/21/2022	Police Department on Administrative Management of Social Order	20,724,053	4.934%
	Related person					-	0.000%
10	Trinh Quang Nghia	Citizen Identity	030078014188	7/23/2021	Police Department on Administrative Management of Social Order	20,387,404	4.854%
	Related person					-	0.000%



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No.	Full name	Type of NSH paper (Citizen identity, ID card, Business registration, Passport)	NSH certificate number	Date of issuance of NSH	Place of issue	Number of shares	Share ownership ratio
11	Bui Viet Bao	Citizen Identity	034071007276	11/21/2018	Police Department on Administrative Management of Social Order	20,440,000	4.867%
	Related person					-	0.000%
12	Trinh Binh Long	Citizen Identity	001075038688	8/17/2022	Police Department on Administrative Management of Social Order	20,513,808	4.884%
	Related person					-	0.000%
13	Nguyen Thi Thuy	Citizen Identity	001182005129	5/17/2021	Police Department on Administrative Management of Social Order	19,477,469	4.637%
	Related person					-	0.000%
14	Nguyen Thi Thu Ha	Citizen Identity	033186007455	12/3/2020	Police Department on Administrative Management of Social Order	20,764,021	4.944%
	Related person					-	0.000%
15	Dinh Thanh Nghiep	Citizen Identity	087063015326	11/5/2024	Police Department on Administrative Management of Social Order	4,306,932	1.025%
	Related person					151,939	0.036%

PROSPERITY AND GROWTH COMMERCIAL JOINT STOCK BANK



**REPORT OF GENERAL MEETING OF  
SHAREHOLDERS**

**BANKING ACTIVITIES IN 2024**

**BUSINESS PLAN IN 2025:**

Hanoi, April ..., 2025

## TABLE OF CONTENTS

<b>PART I: BUSINESS ENVIRONMENT.....</b>	<b>3</b>
1. Macroeconomics.....	3
2. Money market .....	4
<b>PART II: BUSINESS RESULTS FOR 2024.....</b>	<b>7</b>
1. Fundraising activities .....	7
2. Credit activities .....	7
3. Debt settlement results .....	8
4. Financial results .....	8
5. Management and administration .....	9
<b>PART III: BUSINESS PLAN FOR 2025:.....</b>	<b>13</b>
1. Business environment .....	13
2. PGBank's business objectives .....	15
3. Financial goals for 2025.....	16
4. Key solutions and actions 2025 .....	18

## **REPORT OF THE GENERAL DIRECTOR ON BUSINESS RESULTS FOR 2024 AND BUSINESS PLAN FOR 2025**

**Dear: GENERAL MEETING OF SHAREHOLDERS**

The General Director respectfully reports to the General Meeting of Shareholders on the Business Results for 2024 and Business Plan for 2025 as follows:

### **PART I: BUSINESS ENVIRONMENT**

#### **1. Macroeconomics**

##### **1.1. Bright and positive points:**

According to the General Statistics Office, in the context of the world economy still having many uncertainties, with more difficulties than advantages, our country's economy in 2024 will grow positively, with each quarter higher than the previous quarter (the first quarter increased by 5.98%; the second quarter increased by 7.25%; the third quarter increased by 7.43%; the fourth quarter increased by 7.55%), exceeding the target set by the National Assembly, and belonging to the group of few countries with high growth in the region and the world. In the whole year of 2024, GDP increased by 7.09% compared to the previous year.

The quality of economic growth has improved, as shown by GDP per capita and labor productivity. GDP per capita in 2024 at current prices is estimated at VND 114 million/person, equivalent to USD 4,700, an increase of USD 377 compared to 2023. Labor productivity of the entire economy in 2024 at current prices is estimated at VND 221.9 million/worker (equivalent to USD 9,182/worker, an increase of USD 726 compared to 2023).

The positive recovery of production and business activities contributes to promoting investment activities. Total social investment capital in 2024 increased by 7.5%; foreign direct investment capital realized in Vietnam reached USD 25.35 billion, the highest level ever.

Inflation is controlled at an appropriate level, actively supporting economic growth. The average consumer price index (CPI) in 2024 compared to the previous year increased by 3.63%, exceeding the National Assembly's target of 4%-4.5%.

The average income of workers in the forth quarter of 2024 is VND 8.2 million/month, an increase of VND 550 thousand compared to the third quarter of 2024 and an increase of VND 890 thousand compared to the same period in 2023. The total salary for the whole year



of 2024 will reach VND 7.7 million/month, an increase of VND 610 thousand compared to 2023.

### **1.2. Limitations and shortcomings:**

Although domestic consumer demand has grown positively, people's spending has recovered compared to 2023 but has not met expectations compared to the period before the Covid-19 pandemic.

The number of businesses temporarily suspending operations has exceeded 100,000, showing that business difficulties still exist. The number of enterprises withdrawing from the market in 2024 is 197.9 thousand enterprises, of which, mainly enterprises temporarily suspending business in the short term with 100.1 thousand enterprises, accounting for more than 50% of the total number of enterprises withdrawing from the market. Besides, slow recovery of domestic purchasing power and demand also makes it difficult for businesses to sell their products.

Investment capital implemented from the State budget is low, affecting the progress of public investment disbursement for the whole year of 2024. Capital implemented from the State budget in 2024 is estimated at VND 661.3 trillion, equal to 84.6% of the annual plan and an increase of 3.3% over the previous year, much lower than the years since 2016 (in particular, in 2021, it decreased by 7.1% due to the impact of the Covid-19 pandemic).

Natural disasters are complicated, causing serious damage to people and property. The total value of property damage caused by natural disasters in 2024 is estimated at nearly VND 89,253.6 billion, 17.5 times higher than in 2023.

## **2. Money market**

The picture of the banking industry in 2024 has a mixture of light and dark colors. However, 2024 is a year marked by the success of the banking system's operations with many important achievements: Lending interest rates have decreased compared to the end of 2023; the basic exchange rate is stable in the context of strong fluctuations in the international market (according to the General Statistics Office) and many policies and solutions have been implemented to support the operations of banks, specifically:

### **2.1. Actively loosen credit room**

2024 marks a year of change in credit management policy when the State Bank of Vietnam (SBV) allocated all 15% credit room to commercial banks from the beginning of the year. This move aims to promote capital injection into the economy amid many domestic and international difficulties.

## **2.2. Lending rates hit rock bottom**

In 2024, the State Bank will continue to maintain low operating interest rates to guide the market to reduce lending rates to support businesses and people.

The lending interest rate level for new transactions of commercial banks has decreased by 0.76% compared to 2023. This is a great effort to promote economic development, promptly meet capital needs to support production and business activities and accompany people and businesses to overcome difficulties.

## **2.3. Biometric Campaign**

The banking industry has "sprinted" to deploy biometric authentication before the deadline of January 1, 2025. From July 1, 2024, Decision No. 2345/QĐ-NHNN of the Governor of the State Bank takes effect, stipulating that all personal electronic transactions with a value of over VND 10 million or total daily payments exceeding VND 20 million must apply facial biometric authentication.

On October 1, 2024, Circular No. 18/2024/TT-NHNN requires individuals opening bank cards or online e-wallets to perform biometric authentication. Along with that, Circular No. 50/2024/TT-NHNN provides a legal framework to ensure safety and security for online banking services.

## **2.4. Stabilizing the gold market, narrowing the gap between domestic and world gold prices**

The State Bank of Vietnam has resumed organizing gold bar auctions in April 2024, after nearly 11 years of suspending this activity. Accordingly, the State Bank organized a total of 9 SJC gold bar auctions, supplying more than 48,000 taels of gold to the market. Before implementing direct gold sales, the difference between domestic and world gold prices was up to VND 15-18 million/tael. After implementing this measure, the difference has decreased to VND 3-4 million/tael, contributing to stabilizing the domestic gold market.

## **2.5. Law on Credit Institutions 2024 takes effect:**

The Law on Credit Institutions 2024 (Law on Credit Institutions) is an important legal corridor that helps the credit institution system operate stably, transparently and in line with international standards; meeting practical requirements, ensuring safety, soundness and sustainable development of the banking industry, some notable regulations and policies such as:

Lending activities: The Law on Credit Institutions supplements new regulations on small-value credit loans, specifically: For small loans, it is not required to have a feasible

capital usage plan, but there must be at least information about the legal purpose of capital usage and the customer's financial capacity before deciding to lend. In addition, the Law on Credit Institutions also supplements regulations on determining that customers must provide information about related persons and the content of information that must be provided to credit institutions when requesting credit and approving credit by electronic means according to the instructions of the Governor of the State Bank;

**Credit limit:** The credit limit for customers, customers and related persons of customers is adjusted down according to a specific roadmap with a period of gradually reducing the credit limit within 5 years from the effective date of the Law on Credit Institutions until 2029.

**Real estate business:** Extending the period for which credit institutions are allowed to hold real estate due to debt settlement, specifically: Within 05 years (old regulation is 03 years) from the date of decision to handle secured assets being real estate, credit institutions must sell, transfer or buy back this real estate. In case of real estate acquisition, it is necessary to ensure the purpose of use specified in Clause 1 of this Article and the investment ratio in fixed assets specified in Clause 3, Article 144.

In addition, the Law on Credit Institutions 2024 has codified the provisions on bad debts, handling and purchase and sale of bad debts by debt buying and handling organizations into the Law on Credit Institutions 2024, and at the same time added provisions on the right of credit institutions to transfer all or part of real estate projects as collateral to recover debts according to the provisions on transfer of all or part of real estate projects of the Law on Real Estate Business and other relevant legal provisions, but does not have to apply the provisions on conditions for real estate business entities to the transferor of real estate projects of the Law on Real Estate Business. This has created a corridor and mechanism for credit institutions to accelerate bad debt handling activities and the ability to recover debts and handle collateral for bad debts.

## **2.6. Accelerating digital users and digital payments**

2024 is also the year that Vietnam completes connecting the cross-border payment system via QR code with Thailand, Cambodia, and Laos with the participation of about 18 commercial banks and 3 payment intermediary organizations, according to the National Payment Corporation of Vietnam (Napas). It is expected that by 2025, QR code payment connections will be expanded to countries such as China, Japan, Korea, Indonesia, Malaysia, Philippines and Singapore. Also according to the latest data from NAPAS, in 2024, the NAPAS system will process 9.56 billion transactions, an increase of about 30% in the number of transactions and 14.4% in transaction value compared to 2023.

## PART II: BUSINESS RESULTS FOR 2024

Faced with fluctuations in the macro business environment and the banking industry situation in 2024, PGBank remains steadfast in its set goals, continuing to implement and complete many key tasks to reach the 2024 finish line with encouraging results.

### 1. Fundraising activities

Total capital mobilization by December 31, 2024 reached VND 66,685 billion, completing 118% of the plan, up 33.9% ~ up VND 16,888 billion compared to the end of 2023.

Unit: VND

Billion

Items	Performance 2023	Performance 2024	Plan 2024	Compared to 2023		Compared to plan 2024	
				-	%	Performance - Plan	Performance/Plan
<b>Total Capital Mobilization</b>	<b>49,798</b>	<b>66,685</b>	<b>56,530</b>	<b>16,888</b>	<b>33.9%</b>	<b>10,156</b>	<b>118.0%</b>
<b>I. Customer deposits</b>	<b>35,730</b>	<b>43,326</b>	<b>41,230</b>	<b>7,596</b>	<b>21.3%</b>	<b>2,096</b>	<b>105.1%</b>
Mobilizing corporate customers	9,428	13,049	10,531	3,621	38.4%	2,518	123.9%
KBL Mobilization	26,302	30,277	30,699	3,975	15.1%	(422)	98.6%
<b>II. Deposits and loans from the State Bank and other credit institutions</b>	<b>13,568</b>	<b>21,080</b>	<b>14,300</b>	<b>7,512</b>	<b>55.4%</b>	<b>6,780</b>	<b>147.4%</b>
<b>III. Issuance of securities</b>	<b>500</b>	<b>2,280</b>	<b>1,000</b>	<b>1,780</b>	<b>356.0%</b>	<b>1,280</b>	<b>228.0%</b>

Customer deposits still account for the majority of total mobilization. By the end of 2024, Customer deposits will reach VND 43,326 billion, an increase of VND 7,596 billion compared to the end of 2023, completing 105% of the plan. In 2024, PGBank will diversify its mobilization sources and increase issuance of securities to attract long-term funds. The total balance of Securities (GTCG) by the end of 2024 is VND 2,280 billion, an increase of VND 1,780 billion compared to the end of 2023.

### 2. Credit activities

Outstanding credit balance as of December 31, 2024 is VND 41,533 billion, reaching 99.4% of the granted credit room, completing 103% of the set plan. Compared to the end of 2023, outstanding credit increased by 15.8% ~ an increase of VND 5,676 billion compared to the end of 2023. Of which, retail outstanding debt increased by VND 2,940 billion, completing 106% of the plan; corporate customer outstanding debt increased by VND 3,235

billion, completing 100% of the plan and corporate bond issuance outstanding debt decreased by VND 500 billion.

Unit: VND Billion

Items	Perform ance 2023	Perform ance 2024	Plan 2024	Compared to 2023		Compared to plan 2024	
				/-	%	Perfor mance- Plan	Performa nce/Plan
<b>CREDIT OUTSTANDING BALANCE</b>	<b>35,858</b>	<b>41,533</b>	<b>40,476</b>	<b>5,676</b>	<b>15.8%</b>	<b>1,058</b>	<b>102.6%</b>
<b>I. Outstanding Loans</b>	<b>35,358</b>	<b>41,533</b>	<b>40,476</b>	<b>6,176</b>	<b>17.5%</b>	<b>1,058</b>	<b>102.6%</b>
Corporate Customer Loans	20,556	23,792	23,768	3,235	15.7%	24	100.1%
KBL Loan	14,801	17,742	16,708	2,940	19.9%	1,034	106.2%
<b>II. TPDN</b>	<b>500</b>	<b>-</b>	<b>-</b>	<b>(500)</b>	<b>-100.0%</b>	<b>-</b>	<b>0.0%</b>

### 3. Debt settlement results

Results of bad debt and problem debt recovery up to December 31, 2024 are as follows: Recovered VND 628 billion of bad debt, completing 167% of the plan; Recovered VND 202 billion of debt used for provisions, reaching 87% of the plan; Recovered VND 52 billion of debt sold to VAMC, reaching only 14% of the plan. Low results in debt collection sold to VAMC are one of the main reasons why the overall business results did not meet the plan.

### 4. Financial results

No.	Items	Performance 2023	Performance 2024	Plan 2024	Compared to 2023		Compared to plan 2024	
					/-	%	Performance- Plan	Performanc e/Plan
1	<b>Total assets</b>	<b>55,491</b>	<b>73,015</b>	<b>63,503</b>	<b>17,524</b>	<b>31.6%</b>	<b>9,512</b>	<b>115.0%</b>
2	<b>Total outstanding credit</b>	<b>35,858</b>	<b>41,533</b>	<b>40,476</b>	<b>5,676</b>	<b>15.8%</b>	<b>1,058</b>	<b>102.6%</b>
	Customer loan balance	35,335	41,236	40,476	5,901	16.7%	761	101.9%
	Debt purchase	23	297	-	274	1195.8%	297	
	Corporate bonds	500	-	-	(500)	-100.0%	-	

3	Bad debt ratio according to TT31	2.61%	2.07%		-0.5%			
4	Total TT2 Loans & Investments	15,996	27,339	18,179	11,343	70.9%	9,160	150.4%
	Financial investment	1,726	3,537	3,513	1,811	105.0%	24	100.7%
	TT2 Loan	14,270	23,802	14,666	9,532	66.8%	9,136	162.3%
5	Total Mobilization	49,798	66,685	56,530	16,888	33.9%	10,156	118.0%
	Customer Deposit	35,730	43,326	41,230	7,596	21.3%	2,096	105.1%
	Deposits and loans from the State Bank and other credit institutions	13,568	21,080	14,300	7,512	55.4%	6,780	147.4%
	Issuance of securities	500	2,280	1,000	1,780	356.0%	1,280	228.0%
6	Total income	1,393	1,831	2,086	438	31.4%	(255)	87.8%
7	Operating Expenses & Provisions	1,042	1,406	1,532	364	34.9%	(126)	91.8%
8	Profit before tax	351	425	554	74	21.1%	(129)	76.8%
9	Average profit before tax/Charter capital ratio	11.7%	11.8%	13.9%	0.1%		-2.0%	
10	Average net profit/charter capital ratio	9.3%	9.4%	11.1%	0.1%		-1.6%	
11	Charter capital	3,000	4,200	5,000	1,200	40.0%	(800)	84.0%

Unit: VND Billion

Total assets as of December 31, 2024 reached VND 73,015 billion, completing 115% of the plan, up 31.6% ~ up VND 17,524 billion compared to the end of 2023; Total capital mobilization reached VND 66,685 billion, completing 118% of the plan, up 33.9% ~ up VND 16,888 billion compared to the end of 2023; Outstanding credit as of December 31, 2024 reached VND 41,533 billion, completing 103% of the plan, up 15.8% ~ up VND 5,676 billion compared to the end of 2023. Profit before tax (PBT) in 2024 reached VND 425 billion, achieving 77% of the plan.

*Reasons why net profit did not meet plan:* Mainly due to non-interest income and debt settlement revenue not meeting the plan. Non-interest income was lower than planned mainly due to unfavorable market developments, causing income from foreign exchange trading and financial investments to be much lower than expected. Debt collection results that did not meet the plan greatly affected the Bank's income and increased provisioning costs.

## 5. Management and administration

### 5.1. Perfecting the organizational structure and developing human resources

In 2024, PGBank was honored in 03 important categories at the award ceremony "Employer of Choice 2024": Top 08 Favorite Employers in Finance - Banking - Securities, Top 10 Favorite Employers of Internal Employees - Large Enterprises, Top 40 Favorite



Employers - Large Enterprises organized by Career Viet. To achieve these titles, PGBank met the criteria set forth by the Organizing Committee as follows: The organization constantly creates opportunities for employees to evaluate and improve the quality of the working environment, constantly improving the organization to increase motivation and encouragement for employees.

Restructuring towards lean and effective direction for sustainable development is also one of the key tasks of PGBank in 2024. Accordingly, the Bank completed the restructuring of 10/15 Units at the Headquarters, 02 newly established Units are the Office of the Executive Board, Internal Inspection and Compliance Department to advise and assist the General Director in the work of inspection, supervision, prevention and handling of fraudulent and negative behaviors towards transparency and standards in business and operational activities.

In 2024, PGBank has been piloting the new model at 03 branches (*Dong Do, Vung Tau, Quang Ninh*), aiming to manage, operate, and build the organizational structure of branches according to the scale of operations (*branch scale under 5,000 billion; branch scale from 5,000 - under 20,000 billion; branch scale over 20,000 billion*). It is expected that by the end of 2025, PGBank will summarize the pilot models and evaluate the feasibility of applying the Pilot Branch model to the system. In addition to the pilot Branch model, credit policies, appraisal and approval, and debt collection also have major changes in operation and management with the goal of enhancing the role of the Branch in credit approval and debt collection at all stages of the credit granting process.

Also in 2024, PGBank will continue to improve its salary/performance bonus policy to motivate employees, attract and retain talent. At the same time, a screening mechanism for low-performing staff is also applied to improve staff quality and work efficiency. Regulations on rotation, appointment and recruitment have been completed, creating a clear career path to encourage employees to continue to strive and contribute to the Bank.

## **5.2. Network development activities**

In 2024, PGBank will be approved by the State Bank and complete the opening of 05 new branches and 04 transaction offices in the following provinces/cities: Hanoi (Dong Anh), Ninh Binh, Thai Nguyen, Thanh Hoa, Nghe An, and relocate 07 Branches/Transaction Offices to more spacious and modern locations, enhancing the Bank's brand recognition. As of December 31, 2024, PGBank was present in 19 provinces and cities with 91 Business Units (23 branches, 68 Transaction Offices), connecting and supporting economic sectors, creating many jobs for local people, contributing to the State budget and the overall development of the local province/city.

### 5.3. Information technology and digital transformation

2024 can be considered the year of the Bank's strong digital transformation foundation, in which key Information Technology Projects approved by the Board of Directors serve as a premise for implementation in 2025 such as: Corebanking project, application of digital banking omnichannel platform for corporate and individual customers (OMNI), Anti-money laundering system, Digital signature, E-office, Other infrastructure investments... These projects, after officially coming into operation in 2025, will significantly contribute to improving the Bank's digital capacity, specifically:

- Enhance the experience of corporate and individual customers through digital platform transactions with many upgraded features, personalized according to customer needs.
- Automate credit processes, internal operating processes, shorten work processing time, reduce administrative procedures, optimize operating costs, and increase organizational productivity.
- Complete the project of equipping source code security scanning software – Scan Source Code in November 2024.
- Deploy a service project to scan, evaluate, and test PGBank's important applications and services regularly, promptly detect vulnerabilities for warning and correction.
- Provide firewall solutions to protect against attacks from WAF and Ddos services for PGBANK applications.
- Issue internal regulations that meet 100% of the State Bank's recommendations and 100% of internal audit recommendations according to the recommendations, including: 13 documents on information security in technology operations.

### 5.4. Risk Management and Compliance:

In 2024, PGBank adjusted the organizational structure and functions of the Risk Management Division in a streamlined manner, in line with PGBank's advanced and internal risk management practices.

The results of debt classification, off-balance sheet commitments, risk provisioning, and use of provisions to handle risks and losses are fully implemented in accordance with the provisions of Circular 31/2024/TT-NHNN dated June 30, 2024 and Decree 86/2024/ND-CP dated July 11, 2024 up to December 31, 2024 as follows:

#### *Debt classification results as of December 31, 2024*

- Total balance sheet: VND 62.096 billion
- Total bad debt: VND 1.285 billion
- Bad debt ratio: 2.07%
- Total off-balance sheet commitments: VND 5.508 billion

*Risk provisioning results as of December 31, 2024*

- Total general provisions made: VND 40.2 billion
- Total specific provisions and other provisions made: VND 337.4 billion

*Results of using reserves to handle risks from January 1, 2024 to December 31, 2024*

- The total specific reserves used to handle risks are: VND 154 billion used to handle risks for customers who are economic organizations and individuals.

Continue to complete the system of documents related to risk management activities with 112 documents developed and revised/supplemented (including 30 documents at the Board of Directors level). Participated in developing and revising 35 products; reviewed, evaluated and proposed control points in 189 processes, regulations and guidance documents of the entire company;

Risk monitoring is also enhanced: All risk indicators and risk limits are monitored and supervised daily and monthly to ensure compliance with the State Bank's regulations and PGBank's internal management requirements. In addition, in 2024, 1,030 credit customers, 3,869 contracts and 122 guarantees were directly and remotely monitored; 02 topics were conducted to review payment account transactions with signs of fraud and review credit cards with signs of fake payments; 24,744 suspicious card and e-banking transactions, 101 operational risk events, and 08 fraud verification reports were completed. In addition, the Risk and Control Self-Assessment (RCSA) Program for credit operations has also been deployed and completed in 2024; Completing the construction and testing of BCM.

In 2024, PGBank continued to prepare data and human resources to build and perfect internal credit rating models and deploy Basel 3 in 2025.

Training, communication and risk culture building are also emphasized with training programs on operational risk management, fraud prevention, RCSA and business continuity assurance (BCM).

## **5.5. Payment Operations - Trade Finance and Other Operations**

Domestic/international payments and trade finance: 24/7 money transfer activities, growing 3 times compared to 2023 in terms of transaction volume and value: 19,648,738 outgoing money transfer orders; 23,253,530 incoming money transfer orders; 842,700 e-banking services; total transaction value of VND 525 trillion. Issuance of L/C: USD 223.24 million, payment of documents according to L/C: USD 207.4 million, collection payment USD 2.03 million; Regarding export: Total export payment value USD 27.67 million. Domestic money transfers reached 1,554 transactions, worth USD 69.22 , 2,412 transactions worth USD 176.19 million.

Capital and Currency Trading Activities: FX transaction volume reached: 1168 (up 103% vs 2023), MM: 3716 (up 169%), internal capital transfer: 1139 (up 102%), Valuable Papers transactions: 36 (up 164%), derivatives transactions 1668 (up 77%). In 2024, PGBank successfully issued bonds with a face value of VND 1,000,000,000,000 (one trillion Vietnamese dong) to professional institutional securities investors with an interest rate of 5.8%/year. At the same time, it has completed post-issuance information disclosure and periodic information disclosure in accordance with legal regulations.

#### **5.6. Card development activities:**

PGBank has processed 90,021 data approvals, of which 30,307 new domestic cards were issued (up 25% compared to 2023, reaching 22,438 cards) and Visa cards increased 55% compared to 2023.

At the same time, complete credit card activation projects on APP, build asset management software, Way 4 card management system.

In addition, PGBank has implemented measures, invested, equipped systems and infrastructure to fully comply with the Decrees/Circulars of the State Bank on the biometric verification campaign, Circular No. 15/2024/TT-NHNN on regulations on providing non-cash payment services, etc.

#### **5.7. Marketing and brand development activities:**

Brand awareness index increased by 7% from 31% in September 2024 to 38% in December 2024 (survey results conducted by CI Market Research Company).

PGBank Fanpage visits more than doubled from 17,844 (January 2024) to 35,895 (December 2024); reach increased by 507% from 361,582 (January 2024) to 1.8 million (December 2024).

Internal bonding activities and sports events are held enthusiastically throughout 2024, contributing to enhancing the spirit of solidarity, attachment, and sharing in both work and life of employees.

#### **5.8. Financial accounting work**

- Control and monitor the overall cost budget to ensure efficient use of budget.
- Actively participate in PGBank's important projects: Asset Management Project;
- Issue and amend documents to ensure compliance with legal regulations and suit PGBank's actual operations.

### **PART III: BUSINESS PLAN FOR 2025:**

#### **1. Business environment**

The Government sets an economic growth target of 8% in 2025 in the context that the world economy in 2025 is forecast to gradually return to growth trajectory, with a clearer but uneven recovery trend among countries. Organizations such as the OECD, IMF and EU predict that global GDP growth in 2025 will increase slightly or stabilize at 3.2%-3.3%. For Vietnam, most international organizations such as WB, ADB, OECD and IMF forecast Vietnam's growth in 2025 at 6.1%-6.6%. Domestically, Vietnam's economy is expected to continue to maintain positive growth momentum, but will face mixed advantages and difficulties and challenges, according to the General Statistics Office:

***Some advantages for Vietnam's economy in 2025:***

From a production perspective, the agriculture, forestry and fishery sector is showing a clear growth trend thanks to export momentum, strong application of science and technology and opportunities from FTA agreements. The industry is forecast to maintain a growth rate of around 7-9%, with the main driving force coming from exports, public investment and technology transformation. The service sector also has a good growth trend thanks to the recovery of tourism activities and import and export of goods and services.

Institutional policies and business environment are being urgently improved and synchronized. Opportunities to expand markets, participate more deeply in the global supply chain and attract investment when Vietnam actively participates in free trade agreements (FTAs)

Investment in infrastructure and high-tech industry is being strongly oriented and promoted.

The digital transformation and technology process is being strongly deployed in both the state apparatus and economic units, creating new momentum for development.

***Difficulties and challenges that Vietnam's economy will face in 2025:***

Risks and challenges of the global economy, US tax policies, and China relations will impact Vietnam at both the macro and micro levels (state macro policies and business operations, financial markets, currencies, goods, labor, etc.)

Low-cost labor is no longer a national advantage; skilled labor to keep up with modern technology is lacking, the labor force is uneven, and there is a lack of high-quality labor.

The economy's ability to absorb capital is still weak, especially for domestic enterprises; the capital market and stock market have not yet developed commensurate with their potential.

Banking industry outlook expects profits to increase by 10 - 25%

In 2025, the credit growth target set by the State Bank of Vietnam (SBV) is 16%, 1% higher than in 2024, and financial analysts predict that credit could increase by 15-16%. With credit this year being assessed more positively as the economy's capital absorption capacity improves, many banks set higher profit growth targets.

Data from the report shows that the problem loan formation rate will decline to 2.2% in 2025, from 2.3% in 2024, thanks to improved customer repayment capacity as business income and the labor market stabilize. In addition, credit growth is expected to reach 15-16%, supported by long-term loan demand in the manufacturing, trade, construction and real estate sectors. Meanwhile, net interest margin (NIM) is also forecast to increase by 5-10 basis points to 3.5% in 2025, thanks to better controlled funding costs.

On profitability and business strategy: The overall banking industry's profitability in 2025 is forecast to improve slightly, with return on assets (ROAA) increasing from 1.55% to 1.60%. This growth comes from: Net interest margin expanded, helping the bank improve income from lending activities. NIM is expected to reach 3.5%, up from 3.4% in 2024; Non-interest income is expected to increase slightly, thanks to bond trading, debt collection and insurance sales. Total revenue from these sources could increase by 5-7% year-on-year; Credit costs will decrease, especially in the SOBs and large banks group, as asset quality improves. The industry-wide bad debt coverage ratio is expected to reach 120-130%, ensuring financial security.

In addition, digital business and digital transformation continue to play an important role. Banks are investing heavily in digital platforms to increase customer reach, reduce operating costs and improve operational efficiency. It is forecast that the rate of digital banking transactions will account for over 70% of total transactions by the end of 2025, according to the General Statistics Office.

## **2. PGBank's business objectives**

With the above prospects for the economy and banking industry in 2025, along with the close coordination and direction of the State Bank, PGBank expects and is determined to set the goal that 2025 will be a year of strong growth with the following main activities:

### ***Retail Banking Services:***

- Outstanding loans increased by 17.9% compared to 2024 to VND 20,917 billion, mobilized capital reached VND 36,212 billion, up 19.6% compared to 2024.
- Promoting fee-based products, especially FX, still has a lot of room. Build products for customers with stable income from salary.

- Develop middle and high-end customer base through superior product policies and customer care mechanisms.
- Develop links with projects with full legal status.

***Corporate customers:***

- Outstanding loans increased by 16.6% to VND 27,736 billion, and mobilization increased by 18.3% to VND 15,473 billion in 2025.
- Build combo product policies targeting customer groups with investment, production, business, import-export, and FDI activities.
- Develop relationships with major partners and ecosystems

***Bad debt control:***

- Control bad debt ratio below 2% according to Resolution of the Board of Directors. Completely handle large, long-standing debts. Total revenue expected in 2025 is 1,445 billion

***Powerful digital transformation:***

- Enhance digital competitiveness in the banking industry after completing and “go-live” key projects by 2025.
- Increase the number of transactions via digital channels by 90% by 2025, with an average of 1.5 - 2 products per customer using AI, big data (data lake) and digital platform solutions.

***Improve the capacity of Business Units (Branch/Transaction Office):***

- Newly opened, small-scale, low-efficiency business units require a review of human resource quality and a specific action plan for improvement each week/month with the goal of 100% of the units being profitable by December 31, 2025.
- Develop criteria for ranking Branches and Transaction Offices according to business scale/efficiency to create motivation for growth competition among Units.
- Enhance customer experience with dedicated, superior service quality.
- Training, skill training, policy and legal regulations propaganda through many forms: live, online,

**3. Financial goals for 2025**

***3.1. General business, budget and human resource targets for the entire company***

Business targets: By December 31, 2025, Total assets reached VND 86,726 billion, an increase of 18.8% ~ an increase of VND 13,711 billion compared to the end of 2024; Total mobilization reached VND 78,449 billion, an increase of 17.6% compared to the end of 2024, of which capital mobilization from market 1 reached VND 51,649 billion, an increase of 19.2%; Outstanding credit reached VND 48,653 billion, an increase of 17.1% compared

to the end of 2024; Pre-tax profit reached VND 1,001 billion, an increase of 135.3% compared to the results of 2024.

Unit: VND Billion

No.	Items	Performance 2024	Plan 2025	Compared to Performance 2024	
				+-	%
1	Total assets	73.015	86.726	13.711	18.8%
2	Credit balance	41.533	48.653	7.119	17.1%
	- Corporate customer	23.792	27.736	3.944	16.6%
	- KBL	17.742	20.917	3.175	17.9%
3	Bad debt ratio on balance sheet TT1	2.55%	< 2%		
4	Financial investment	3.537	5.938	2.401	67.9%
5	Deposits/loans to credit institutions	23.802	27.494	3.692	15.5%
6	Total mobilization	66.685	78.449	11.763	17.6%
6.1	Mobilize TT1	43.326	51.649	8.323	19.2%
	- Corporate customer	13.049	15.437	2.388	18.3%
	- KBL	30.277	36.212	5.934	19.6%
6.2	Deposits and loans from the State Bank & other credit institutions	21.080	24.520	3.441	16.3%
6.3	Issuance of securities	2.280	2.280	-	0.0%
7	Total net revenue	1.831	2.657	826	45.1%
8	Operating & Contingency Costs	1.406	1.656	250	17.8%
	Operating Expenses	974	1.326	352	36.1%
	Risk reserve	432	330	(102)	-23.6%
9	Profit before tax	425	1.001	576	135.3%

- Budget plan:

Unit: VND Billion

No.	Budget item	Plan
1	IT procurement budget (excluding VAT)	476
2	Network development budget (excluding VAT)	156
3	Operating Cost Plan 2025	1,326

- Human Resource Plan:

Unit: People

No.	Unit	Plan
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1	Head office	883
2	Branch	1,335

#### 4. Key solutions and actions 2025

##### 4.1. Corporate Customer Service

Develop new policies and products to diversify customer choices, specifically:

- Credit growth from the beginning of the year:
  - Focus on target industries (manufacturing and processing, trade and services, construction and installation, investment).
  - Reduce outstanding debt focusing on securities group
- Mobilization growth, especially Casa:
  - Exploit existing customer files (Departments, hospitals, schools, etc.).
  - Focus on exploiting FDI and import-export customer portfolio
- Focus on non-interest income from trade finance, international payments & FX
  - Continue to maintain growth in guarantee fees - a service that PGBank has strength in
  - Focus on revenue from services: LC, foreign exchange business

##### 4.2. Retail Customer Service

- Amendment of lending policy for business households, credit, and cars.
- Credit card issuance
- Build TOI Tree Banca, manage execution to ensure sales by channel
- Orientation to exploit customer groups with high lending NIM but good risk management. Focus on exploiting wealthy customers with great potential to exploit priority customer products and services;
- Increase the proportion of fee revenue to total net revenue of the retail segment (promote foreign currency trading, fees for selling beautiful account numbers, insurance - especially non-life insurance);
- Increase the proportion of non-term capital mobilization in the total capital mobilization structure;
- Training to improve professional capacity of sales team and management team;
- Build effective emulation, reward and honor programs;
- Warning & support mechanisms to improve productivity of low-productivity teams; Improve average productivity.

##### 4.3. Capital and currency trading

###### a. Foreign exchange trading:

- Direct sales activities need to develop more customers who are import-export businesses to increase foreign currency transactions.
- Branch: Implement policies to promote foreign exchange activities, derivative products, and issuance of Marketable Papers 1 in coordination with the Retail Banking Services and Corporate Banking Services Divisions to achieve long-term growth and improve NIM in foreign exchange trading.

*b. Currency and securities trading:*

- Investing in valuable papers and mobilizing on the 2nd Market effectively.
- Building a Capital Trading Mechanism between FX trading department, MM and ALM (system).

**4.4. Debt collection**

- Amend procedures and regulations to suit reality, speed up approval.
- Assign KPIs to each debt settlement specialist, business unit and develop incentive policies to promote debt settlement.
- The Board of Directors and the Executive Board are directly involved in handling large debts.
- Debt Handling Division and Business Unit agree on monthly implementation targets and coordinate implementation to ensure indicators of %NPL, DPCT, and Profit.
- Training skills and debt handling techniques to business units.

**4.5. Human resource management and development**

- Continue to refine the organizational structure of the executive apparatus, organize and arrange personnel, improve capacity, perfect the income mechanism to promote the operational efficiency of the entire PGBank and its staff;
- Apply salary unit price and performance bonus mechanism for the whole system to ensure competitive salary mechanism, linked to employees' capacity;
- Develop and adjust processes and regulations on policies, recruitment, training and human resource development, creating a foundation to attract and retain employees;
- Develop *Learning Maps* to train, coach skills, improve capacity and create career paths for staff, thereby improving the organization's work efficiency;
- Attract and select talent for the Organization through competitive policy mechanisms and effective methods.

**4.6. Risk management and compliance**

- Improve ranking index according to Circular No. 52/2018/TT-NHNN and amended and supplemented documents.
- Basel III implementation;
- Develop early warning scenarios to prevent risks and ensure safe and effective business operations;

- Continue to improve risk management policy documents, ensure full compliance with legal regulations, and aim to meet international standards and practices, in line with the Bank's actual business operations.

#### ***4.7. Operational support work***

- Support activities for Capital and Currency Trading, Trade Finance
  - Create electronic document circulation flow from Capital Source and Currency Trading Division/Business Unit.
  - Integrate digital signature technology
  - Support automatic generation of electricity to payment systems, especially with SWIFT ISO 20022 conversion project, Corebanking upgrade project.
- Credit operations
  - Implement salary payment policy based on KPI linked to work performance in credit operations.
  - Strengthen the inspection of credit operations from Head Office to units at the Branch.
- Card operations, payment
  - Digitize domestic card and payment operations.
  - Process Automation (RPA): Build Robotic RPA to run Accept card data; card and electronic bank reconciliation and Nostro reconciliation activities.
  - Apply digital signatures and circulate electronic documents.
- Business Unit Support Activities
  - Convert Branch support reception channel from issue tracking to LOS system
  - Classify into detailed business groups, automatically respond according to forms, helping support work to be fast and effective.

#### ***4.8. Marketing and brand development***

- Increase brand awareness: Increase 15% compared to 2024 Support effective business, contribute to increase revenue.
- Implement corporate culture building, increase employee satisfaction and understanding of corporate culture through internal communication programs. Conduct corporate culture workshop, define core values of PGBank.
- Communicate and implement ESG (Environmental – Social – Governance) strategies in line with the State Bank's roadmap.

#### ***4.9. Financial accounting work***

- Participate in key projects in 2025: Corebanking project; digital process (E-office) for automatic budget tracking & Building cost-benefit management reports;
- Complete the 2025 business plan; Complete the 2025 KPI assessment of the Units;

PROSPERITY AND GROWTH COMMERCIAL JOINT STOCK BANK

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Above is the 2024 Business Performance Report and 2025 Business Plan of PGBank, respectfully submitted to the General Meeting of Shareholders for consideration.

Recipients:

- As proposed;
- Save: Archives, Finance Division, Office of the BOD.

**GENERAL DIRECTOR**

**NGUYEN VAN HUONG**

**REPORT OF BOARD OF SUPERVISORS  
ON THE 2024 PERFORMANCE RESULTS, IN THE TERM OF 2020-2025  
AND OPERATION ORIENTATION FOR THE TERM OF 2025-2030**

**To: General Meeting of Shareholders of Prosperity and Growth Commercial Joint  
Stock Bank,**

- Pursuant to the Law on Credit Institutions 2024 ("Law on Credit Institutions");
- Pursuant to the Charter of Prosperity and Growth Commercial Joint Stock Bank ("PGBank");
- Pursuant to the Regulations on organization and operation of PGBank's Board of Supervisors issued under Decision No. QC.BM.016 dated June 28, 2024 of the Board of Supervisors;
- Pursuant to the performance of PGBank and the performance results of the Board of Supervisors;

The Board of Supervisors ("BOS") of Prosperity and Growth Commercial Joint Stock Bank reports to the General Meeting of Shareholders ("GMS") on the results of the implementation of the BOS's tasks in 2024, in the term of 2020-2025 and proposes the orientation of the BOS's activities for the term 2025-2030 as follows.

**I. REPORT ON ACTIVITIES OF THE BOARD OF SUPERVISORS IN 2024**

In 2024, the Board of Supervisors deployed and performed the functions and tasks as prescribed in the Charter, Regulations on organization and operation of the Board of Supervisors, and current regulations, contributing with the entire PGBank system to perform the tasks approved by the 2024 General Meeting of Shareholders.

**1. Personnel structure and operation organization of the Board of Supervisors**

The current Board of Supervisors consists of 03 full-time members elected by the General Meeting of Shareholders, including 01 Head of the Board and 02 members, meeting the requirements on structure, standards and conditions as prescribed in the PGBank Charter and the Law on Credit Institutions. The unit directly under the direction of the Board of Supervisors is the Internal Audit Department.

The Head of the Board of Supervisors has assigned tasks to the Board of Supervisors to carry out the Board of Supervisors's tasks in accordance with the provisions of law and the Bank's Charter.

**2. Performance of the duties of the Board of Supervisors**

In 2024, the Board of Supervisors held 34 regular and extraordinary meetings (when necessary) to discuss and approve matters within its functions, duties, and authority.

The activities of Board of Supervisors are carried out regularly during the year, including:

- Supervise PGBank's administrative and operational activities in compliance with legal regulations and internal regulations.
- Supervise the implementation of the State Bank's regulations related to limits, safety ratios for operations, bad debt handling, implementation of restructuring plans associated with bad debt handling submitted to the State Bank, and supervision of the Bank's main business activities.
- Supervise the implementation of resolutions of the General Meeting of Shareholders and the Board of Directors.
- Supervise the implementation of recommendations of the State Bank Inspectorate.
- Supervise Internal Audit to implement the 2024 audit plan, monitor the quality of audit activities, monitor the implementation of corrective actions and edit recommendations of Internal Audit Department and Board of Supervisors to the Board of Directors and Executive Board.
- Supervise the approval and implementation of investment projects, purchase and sale of fixed assets, contracts and other transactions of the Bank under the decision-making authority of the General Meeting of Shareholders and the Board of Directors.
- Supervise financial status, review PGBank's 6-month financial statements and 2024 financial statements.
- Prepare and update the list of major shareholders, shareholders owning more than 1% of charter capital and related persons of members of the Board of Directors, members of the Board of Supervisors, General Director, shareholders owning 1% or more of charter capital according to the provisions of law and PGBank.
- Review internal regulations of the Board of Supervisors and Internal Audit Department to make timely amendments and adjustments.

### **3. Evaluation of the implementation of the 2024 Resolutions of the General Meeting of Shareholders**

In 2024, PGBank held the annual General Meeting of Shareholders on April 20, 2024, the extraordinary General Meeting of Shareholders on August 26, 2024 and issued 11 Resolutions within the authority of the General Meeting of Shareholders.

The Board of Supervisors has organized the supervision of the implementation of the Resolutions of the 2024 General Meeting of Shareholders. As a result, 09 Resolutions of the General Meeting of Shareholders have been completed and 02 Resolutions are being implemented, specifically:

- Resolution No. 09/2024/NQ-ĐHĐCĐ dated April 20, 2024 on adjusting the Charter Capital Increase Plan: PGBank has been granted Certificate No. 43/GCN-UBCK by the State Securities Commission on registration for additional public offering of shares for PGBank. PGBank is completing procedures according to the process and plans to increase its charter capital to VND 5,000 billion in the second quarter of 2024.

- Resolution No. 11/2024/NQ-ĐHĐCĐ dated August 26, 2024 on changing the head office address. On February 26, 2025, the State Bank of Vietnam issued Official Dispatch No. 735/TTGSNH2 approving the change of the location of PGBank's Head Office. Currently, PGBank is completing related legal procedures to complete the relocation of PGBank's Headquarters and record the change of Headquarters address on PGBank's Operating License and Charter.

- PGBank is also continuing to implement the Resolution of the General Meeting of Shareholders No. 07/2023/NQ-ĐHĐCĐ dated October 23, 2023, regarding the implementation of the restructuring plan in conjunction with the handling of non-performing loans for the 2021–2025 period. Accordingly, PGBank is making efforts to fulfill the commitments outlined in the restructuring plan approved by the State Bank of Vietnam.

#### **4. Results of appraisal of the Financial Statements in 2024**

The Board of Supervisors has reviewed the interim financial statements and the 2024 financial statements. Accordingly, PGBank's financial statements are in accordance with the accounting principles and regimes of credit institutions and Vietnamese accounting standards. The Board of Supervisors agrees with the opinion of Deloitte Vietnam Audit Company Limited: PGBank's 2024 financial statements have honestly and reasonably reflected in all material aspects the financial situation of PGBank as of December 31, 2024 as well as the results of operations and cash flows for the fiscal year ending on the same day, in accordance with

accounting standards, accounting regimes applicable to credit institutions in Vietnam and legal regulations related to the preparation and presentation of financial statements.

The results of implementing the 2024 business targets assigned by the General Meeting of Shareholders are as follows:

*Unit: Billion dong, %*

N o.	Items	Implement ation in 2024	Pla n in 202 4	Implementati on/Plan results	Implement ation-Plan fluctuation s	Implement ation-Plan fluctuation ratio
1	Total assets	73,015	63,503	115%	9,512	15%
2	Total outstanding credit	41,533	40,476	103%	1,057	3%
3	Total mobilization	66,685	56,530	118%	10,155	18%
4	Total net revenue	1,831	2,086	88%	(255)	(12%)
5	Operating & Contingency Costs	1,406	1,532	92%	(126)	(8%)
6	Profit before tax	425	554	77%	(129)	(23%)
7	Charter capital	4,200	5,000	84%	(800)	(16%)

The Board of Directors and General Director have implemented business activities according to the plan assigned by the General Meeting of Shareholders, drastically implementing measures to promote business in a difficult economic environment and increasing competition among banks. Although PGBank achieved results in terms of asset size, outstanding debt size, and mobilization, PGBank has not yet achieved the plan for total net revenue, pre-tax profit, and charter capital. The reasons why PGBank has not achieved the plan assigned by the 2024 Shareholders' Meeting are as follows:

- Credit growth focused on the end of the year, while PGBank's lending interest rates decreased compared to previous years due to following the direction of the State Bank of Vietnam on reducing lending interest rates to support customers, leading to net revenue not reaching the plan.
- Non-interest income decreased due to service fee collection, insurance revenue, and foreign currency trading revenue facing general market difficulties.



- Operating costs increased due to increased investment in information technology, increased network expansion costs and increased personnel costs to ensure employee retention and attraction policies.

- The increase in charter capital also depends on the implementation process according to the provisions of law.

**5. Supervise the approval and implementation of contracts and transactions under the decision-making authority of the General Meeting of Shareholders and the Board of Directors.**

- Reviewing contracts and transactions with related parties of PGBank under the authority of the General Meeting of Shareholders and Board of Directors: In 2024, the Board of Supervisors reviewed the approval and execution of 06 transactions with related parties of PGBank. The review results show that the procedures, processes, and approval authority are in accordance with legal regulations, PGBank's Charter, and information is disclosed in accordance with legal regulations.

- Supervise the approval and monitoring of the implementation of investment projects, purchase and sale of fixed assets, contracts and other transactions under the authority of the General Meeting of Shareholders and the Board of Directors: In 2024, the Board of Supervisors received information, supervised the approval process, gave opinions and suggestions in accordance with legal regulations on 18 credit facilities and changes in credit conditions for customers, 09 office lease contracts, 06 capital source transactions, 04 investment transactions for purchasing IT, assets, goods and services, 04 contracts on auditing services, 1 capital contribution investment transaction. Basically, the contracts and transactions under the decision-making authority of the Board of Directors have complied with and are consistent with the provisions of law and PGBank's internal regulations on authority, transaction purpose and implementation procedures.

**6. Senior supervision of the Board of Supervisors with internal audit**

The Board of Supervisors has regularly oriented, directed and supervised the Internal Audit Department in implementing the approved audit plan. In 2024, the Internal Audit Department conducted 14 planned audits (including 09 Branch audits, 06 thematic audits), and conducted 04 unplanned inspections, assessments and reviews and unexpected inspection on the safety and security of vault operations at branch offices.

Internal audit activities continue to be implemented according to the "risk-oriented" auditing method on the basis of prioritizing resources to audit units and processes that are assessed to have a high level of risk. Audit quality assurance is prioritized by the Board of Supervisors to promptly detect potential risks, promptly warn, minimize risks, and limit losses for PGBank. The audit and review results have pointed out errors and violations at audited units, existing problems in internal policies and regulations to recommend units to make corrections and remedies after the audit, handle the responsibility of individuals with violations, contributing to improving the quality and ensuring safety in PGBank's operations; Directing the Internal Audit Department to monitor and urge units to complete and correct the recommendations of the Board of Supervisors and Internal Audit Department to improve the effectiveness and efficiency of audit activities.

The Board of Supervisors also promotes information exchange, consultation, and feedback on issues, risks, violations, and post-audit remedies between the Board of Supervisors and the Board of Directors, General Director, and management levels in the system.

#### **7. Supervise the management and operation of the Board of Directors and General Director**

In 2024, PGBank's Board of Directors will change its personnel structure to suit the Bank's development orientation and comply with the provisions of the Law on Credit Institutions. As of the end of 2024, the Board of Directors consists of 06 members, including 01 Chairman, 01 Vice Chairman, 02 members and 02 independent members. The Chairman of the Board of Directors has assigned tasks to the Board of Directors in accordance with the provisions of law and the Bank's Charter.

In 2024, the Board of Directors held 8 in-person meetings and conducted 215 rounds of written consultations with its members to discuss and make decisions on matters within the Board's authority and to provide direction for the CEO's executive activities. Meetings and written opinions to approve decisions of the Board of Directors are conducted in accordance with the provisions of law and the Bank's Charter. In 2024, PGBank's Board of Directors issued 307 Resolution of the Board of Directors on issues related to business plans, organizational structure, policies, internal regulations, credit granting activities, risk management, debt settlement, human resources work... under the authority of the Board of Directors to ensure

compliance with legal regulations, ensure operational safety, risk control, as well as orient activities and goals for 2024 in operational management.

The Board of Directors has implemented the management and supervision of the General Director's operations through the advisory and support apparatus of the affiliated Committees. However, according to the assessment of the Board of Supervisors, in 2024, the Board of Directors did not have timely decisions when the economic situation was difficult, and did not thoroughly direct the General Director in the management to implement the business targets assigned by the General Meeting of Shareholders, leading to the business results in 2024 not reaching expectations.

The General Director has actively organized and managed PGBank's operations to implement the business plan and perfect the internal control and risk management system according to the direction of the Board of Directors and the Resolution of the General Meeting of Shareholders. The Boards under the General Director are organized and operate in accordance with the provisions of law, acting as advisory bodies to the General Director in operations, internal control, risk management and internal assessment of capital adequacy. In addition to the above positive points, in 2024, the General Director's management also has limitations in not allocating resources to handle ineffective business units, not boldly proposing solutions to increase credit growth from the beginning of the year, not fully utilizing resources in handling and recovering bad debts to complete the plan targets assigned by the General Meeting of Shareholders and the Board of Directors in 2024.

The supervision of the Board of Supervisors over management and operations is carried out regularly through the activities of the Board of Supervisors and internal audit activities. Through supervision, the Board of Supervisors found that basically, management and operation activities have been implemented in accordance with the provisions of law and PG Bank's Charter. The Board of Directors and General Director promptly issued Resolutions, decisions and directives to implement legal regulations on management and control of banking activities, ensuring compliance with safety ratios and risk control in banking activities.

#### **8. Coordination of activities between the Board of Supervisors and the Board of Directors and General Director**

The Board of Supervisors fully participates in meetings of the Board of Directors and meetings of the Executive Board chaired by the General Director, supervises the Board of

Directors and the General Director in performing administrative and operational activities to orient goals and implement the annual business plan.

The Board of Supervisors has closely coordinated with the Board of Directors and General Director in supervising senior management, ensuring that PGBank's operations comply with the law, PGBank's regulations and aim for sustainable development. The coordination between the Board of Supervisors and the Board of Directors and the General Director is ensured to comply with the provisions of law, internal regulations and for the common benefit of the Bank, in order to continue to improve the effectiveness of the internal control system.

The Board of Directors and General Director create favorable conditions for the Board of Supervisors to perform its functions and duties. The recommendations of the Board of Supervisors and Internal Audit Department have been considered by the Board of Directors and General Director, who instructed the relevant departments to implement them in a serious and timely manner.

#### **9. Remuneration, operating expenses and other benefits of the Board of Supervisors**

The operating budget and remuneration of the Board of Supervisors in 2024 shall be implemented in accordance with the approval of the General Meeting of Shareholders in Resolution No. 02/2024/NQ-ĐHĐCĐ dated April 20, 2024 and submitted for settlement at the 2025 Annual General Meeting of Shareholders. Accordingly, remuneration, operating expenses, and other benefits of the Board of Supervisors are paid in accordance with the law and internal regulations of PGBank and do not exceed the 2024 budget approved by the General Meeting of Shareholders.

## **II. REPORT ON ACTIVITIES OF THE SUPERVISION BOARD FOR THE TERM 2020 - 2025**

### **1. Organizational structure, personnel and meetings of the Board of Supervisors**

The Board of Supervisors for the 2020-2025 term elected by the General Meeting of Shareholders each year includes members who meet the requirements on quantity, standards, and conditions according to the provisions of PGBank's Charter and the Law on Credit Institutions. The personnel of the Board of Supervisors for the 2020 - 2025 term has changed as follows:

Member	Position	Date of appointment	Dismissal Date
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Tran Ngoc Dung	Head of Board of Supervisors	October 23, 2023	-
Trinh Manh Hoan	Full-time Member of Board of Supervisors	October 23, 2023	-
Ha Hong Mai	Full-time Member of Board of Supervisors	June 24, 2020	-
Nguyen Tuan Vinh	Head of Board of Supervisors	June 24, 2020	July 31, 2023
	Member of Board of Supervisors	July 31, 2023	October 23, 2023
Duong Anh Tuyet	Full-time Member of Board of Supervisors	March 30, 2021	
	Head of Board of Supervisors	July 31, 2023	October 23, 2023
Tran Van Huong	Full-time Member of Board of Supervisors	June 24, 2020	April 26, 2023

The Head of the Board of Supervisors has organized the assignment of tasks to the members of the Board of Supervisors according to each professional area to promote the knowledge, professional capacity and experience of each member to carry out the tasks of the Board of Supervisors in accordance with the provisions of law and the Bank's Charter. The Board of Supervisors holds regular and ad hoc meetings to discuss and review work contents according to the functions and tasks of the Board of Supervisors, and to direct and supervise the internal audit department at a high level. All members of the Board of Supervisors fully performed and completed their assigned tasks, contributing to the Board of Supervisors's completion of its tasks during the 2020 - 2025 term.

The meetings of the Board of Supervisors are held in accordance with the time and order requirements prescribed by law and the Regulations on organization and operation of the Board of Supervisors in each period. The meeting content is recorded in the Minutes with full content, meeting participants, members' opinions and conclusions of the Head of the Board of Supervisors. Minutes of meetings are kept in accordance with Bank regulations.

## **2. Performance results for the 2020 - 2025 term**

The Board of Supervisors for the 2020-2025 term has fully performed its functions and duties in accordance with the provisions of law and the Bank's Charter, specifically as follows:

### **2.1 Supervision of management and operation activities of the Board of Directors and General Director**

In performing its functions and duties, the Board of Supervisors has fulfilled its role in supervising the activities of the Board of Directors and General Director in the management and operation of the Bank, ensuring compliance with legal regulations, the Charter and other internal regulations of PGBank, promptly detecting risks and violations in the Bank's operations to make timely recommendations to the Board of Directors and General Director. The supervision activities of the Board of Supervisors include the following main contents:

- *Organization and operation of the Board of Directors and General Director:* PGBank's Board of Directors has had changes during its term due to the divestment of Petrolimex Group, but still ensures the quantity and structure in accordance with legal regulations and PGBank's Charter. The Board of Directors has implemented the management and supervision of the General Director's operations in accordance with the law. The Board of Directors and General Director have consolidated, completed and improved the operational efficiency of the Committees and Councils under the Board of Directors and General Director in accordance with legal regulations to ensure the effective operation of the Committees and Councils. The Board of Directors and General Director have directed the completion of many policies, regulations and internal rules in accordance with newly issued legal regulations and have become unified internal regulations to be applied and implemented throughout the system. The Chairman of the Board of Directors assigned tasks to the members of the Board of Directors, and the members of the Board of Directors actively performed their assigned tasks. The Board of Directors has issued Resolutions, directed the Executive Board to implement business activities and work on human resource management and risk management. The General Director has always closely followed the instructions and orientations of the Board of Directors to strive to manage business activities to complete assigned planning targets and perfect the internal control system.

- *Results of business operations, the implementation of the restructuring plan associated with bad debt settlement for the period of 2020 - 2025:* During the period of 2020-

2025, despite many fluctuations in senior personnel and changes in operational orientations after restructuring major shareholders, with the efforts and close guidance and management from the Board of Directors and the Executive Board, PGBank has achieved significant results in business operations. PGBank's business performance results in each year of the 2020 - 2025 period have been reported to the Annual General Meeting of Shareholders every year. In addition to the achieved targets, PGBank still has some unfinished business performance targets such as targets on charter capital increase and pre-tax profit. During the term, the Board of Directors and General Director directed and completed the change of PGBank's trade name and brand identity, and improved the senior leadership positions and authority hierarchy of PGBank. The Board of Directors and General Director closely follow the goals and targets of the restructuring plan associated with bad debt settlement for the period 2020 - 2025 to provide timely instructions for implementing the plan. PGBank has complied with the quarterly performance reporting to the State Bank and is still in the process of making efforts to complete the set goals in the context of banking operations still facing many difficulties.

- ***Risk management and implementation of instructions from State management agencies:*** The Board of Directors has actively implemented solutions to improve risk management through the issuance of Resolutions on risk management policies, risk management appetite and the General Director issued decisions to organize the implementation of the Board of Directors' Resolutions in each period. The Risk Management Committee under the Board of Directors and the Risk Council under the General Director have performed advisory roles to the Board of Directors and General Director in governance and risk management, aiming to improve the supervision, governance and management capacity of PGBank. The State Bank's instructions are always given attention and implemented immediately upon receiving requests. The Board of Directors and General Director have strictly complied with and implemented the policies and directions of the State Bank.

- ***Organization of handling recommendations of State management agencies and independent auditors:*** The Board of Directors and General Director have actively directed the resolution of recommendations from State management agencies, independent auditors, and external inspection units to ensure that PGBank's operations comply with legal regulations and ensure operational safety.

Through supervision, the Board of Supervisors found that the management and operation activities during the 2020-2025 term were implemented in accordance with legal regulations and the Charter, ensuring compliance with operational safety. Although business activities have not yet achieved all assigned targets, they have still achieved some remarkable achievements.

## **2.2 Internal audit organization and implementation**

The Board of Supervisors has built and improved the internal audit apparatus in accordance with the requirements of the Law on Credit Institutions, Circular 13/2028/TT-NHNN, other relevant legal documents and in accordance with the scale of operations of PGBank.

The Board of Supervisors has strengthened the internal audit apparatus and personnel, completed the internal document system in auditing activities, organized training to improve the qualifications of the Board of Supervisors and internal audit staff, researched and implemented improvements in auditing models and methods to meet the increasing requirements for risk monitoring and control in the banking environment. Members of the Board of Supervisors and the Internal Audit Department strictly comply with the principles in their operations and comply with professional ethical standards as prescribed.

During the term, the Internal Audit Department completed audits according to the approved plan, including audits at business units, specialized audits of professional activities and audits upon additional requests from the State Bank or the bank's risk management needs. The audit results show that units at PGBank have basically complied with the provisions of law and the Bank's internal procedures and regulations during their operations, without any serious violations. Any problems, violations and risks discovered during the audit process are reported and discussed with the Board of Directors, General Director and related units for timely direction and correction.

## **2.3 Financial statement appraisal work**

- PGBank's financial statements for the years 2020 - 2024 are audited by independent auditing companies selected by the Board of Directors upon approval of the annual General Meeting of Shareholders. The annual financial statements are fully accepted by independent auditing companies, honestly and reasonably reflecting the financial situation and business performance of PGBank in all important aspects in the fiscal years, in accordance with



Vietnamese Accounting Standards, and presented in accordance with the State Bank's regulations on financial reporting regime for credit institutions.

Some financial indicators for the period from 2020 to the end of fiscal year 2024 are as follows:

*Unit: billion dong*

No.	Items	Year 2020	Year 2021	2022	In 2023	In 2024
1	Total assets	36,153	40,521	48,991	55,491	73,015
2	Total outstanding credit	25,765	27,932	32,275	35,858	41,533
3	Total mobilization	31,580	35,680	42,700	49,798	66,685
4	Total net revenue	1,099	1,166	1,511	1,393	1,831
5	Operating & Contingency Costs	887	843	1,006	1,042	1,411
6	Profit before tax	212	323	506	351	425
7	Charter capital	3,000	3,000	3,000	3,000	4,200

#### **2.4 Update the list of major shareholders, shareholders holding 1% or more of charter capital and related persons of members of the Board of Directors, members of the Board of Supervisors, General Director, shareholders holding 1% or more of charter capital**

The updating of the list of major shareholders, shareholders holding 1% or more of charter capital and related persons of members of the Board of Directors, members of the Board of Supervisors, General Director, shareholders holding 1% or more of charter capital of PGBank has been periodically carried out by the Board of Supervisors on the basis of coordination and information exchange with the Office of the Board of Directors. Through monitoring results, information on changes in the list of major shareholders, shareholders holding over 1% of charter capital, changes in members of the Board of Directors, members of the Board of Supervisors, General Director and related persons is periodically updated and the list is fully archived.

#### **2.5 Coordination between the Board of Supervisors and the Board of Directors, General Director**

PGBank has issued regulations on the coordination mechanism between the Board of Directors, General Director, first line of defense, second line of defense, and the Board of

Supervisors and Internal Audit in the supervision activities of senior management and internal audit activities. The coordination between the Board of Supervisors, the Board of Directors, the General Director and the Executive Board ensures compliance with the provisions of law, internal regulations of PGBank and for the common interests of the Bank.

The Board of Directors and General Director create conditions for the Board of Supervisors to fully perform its functions and duties. The Board of Supervisors fully participated in the meetings of the Board of Directors and attended the briefing meetings of the Executive Board.

Through control activities, the Board of Supervisors has provided opinions and recommendations to the Board of Directors and General Director on measures to strengthen control and risk management, ensuring compliance with legal provisions and internal regulations. The recommendations of the Board of Supervisors and Internal Audit Department have been considered by the Board of Directors and General Director, who instructed the relevant departments to implement them in a serious and timely manner.

### **III. ORIENTATION OF OPERATION OF THE BOARD OF SUPERVISORS FOR THE TERM OF 2025-2030, PLAN ON KEY TASKS IN 2025**

#### **1. Orientation of operation of the Board of Supervisors for the term of 2025-2030**

Based on the functions and tasks of the Board of Supervisors, the operational strategy of PGBank for the period of 2025 - 2030, the directions of the Government and the State Bank on the objectives, tasks of monetary policy, measures to ensure operational safety; the requirements of the State Bank for the Board of Supervisors, based on actual operational developments, the Board of Supervisors continues to strive to fully perform the tasks and powers of the Board of Supervisors in accordance with the provisions of law and internal regulations, including the following tasks:

- Supervise compliance with legal regulations and PGBank's Charter in the management and operation of the Board of Directors, General Director, and Executive Board; Supervise the implementation of resolutions of the General Meeting of Shareholders, the Board of Directors, and instructions of State management agencies; Supervise compliance with safety limits and ratios.

- Supervise financial status, review mid-year financial statements and annual financial statements of PGBank.

- Continue to strengthen internal supervision and audit activities, ensure full implementation of functions and tasks as prescribed and complete the approved annual internal audit plan; supervise compliance with professional ethics standards of members of the Board of Supervisors and internal auditors; improve the quality of internal audit activities to promptly detect risks, promptly warn and limit risks for PGBank; focus on auditing high-risk areas to assess systemic risks and potential risks. Strengthen supervision through information systems, reporting, timely identification and control of issues that have a material impact on banking operations to make recommendations and develop appropriate response measures.

- Perform the role of high-level supervision over internal audit, innovate the organizational structure of the internal audit apparatus to suit the practical situation of operations at PGBank and the Law on Credit Institutions. Apply new technologies to auditing and monitoring activities to maximize labor efficiency and strictly comply with relevant legal regulations. Strengthen the internal audit staff, training to improve the qualifications and capacity of the internal audit team to meet the increasing requirements for risk monitoring and control in the Bank's constantly developing and changing environment.

- Annually review the internal regulations of the Board of Directors. Issue full internal regulations of the Board of Supervisors and Internal Audit in accordance with current laws, internal documents, instructions of the State Bank and meet requirements.

- Update the list of shareholders owning 1% or more of charter capital, related persons of members of the Board of Directors, members of the Board of Supervisors, General Director of PGBank, shareholders owning 1% or more of charter capital; keep and update changes to this list.

- Strengthen the coordination mechanism between the Board of Supervisors and the Board of Directors, General Director, and Executive Board. Strengthen the effective coordination mechanism according to the function of internal control between the lines of defense to exploit and share information and results systematically and effectively.

- Seriously implement the State Bank's instructions to the Board of Supervisors and Internal Audit Department.

## **2. Key task plan for 2025**

Based on the functions, tasks and operational orientation for the 2025-2030 term, the Board of Supervisors will focus on the following key tasks in 2025:

- Supervise Bank management and operations: Supervise the issuance and implementation of resolutions, decisions and directions of the Board of Directors/General Director; supervise the approval and implementation of contracts and transactions under the authority of the General Meeting of Shareholders and the Board of Directors.

- Supervise the process of organizing and implementing business activities: Supervise the implementation of business plans and evaluate the results of plan implementation; regularly monitor business performance and cost management of the Bank

- Supervise organizational apparatus and personnel.

- Supervise risk management and safety limits and ratios.

- Supervise the implementation of information technology projects.

- Appraising the semi-annual financial statements and the annual financial statements for the year 2025. Direct the Internal Audit Department to implement the approved audit plan, review and complete internal documents of the Board of Supervisors and Internal Audit Department.

- Perform other mandatory tasks as prescribed in the Law on Credit Institutions: Supervise financial status, review 6-month and year-end financial statements 2025; maintain and update the list of founding shareholders, major shareholders and related persons of members of the Board of Directors, Board of Supervisors, General Director, shareholders owning 01% or more of charter capital.

- Seriously implement the instructions of the State Bank for the Board of Supervisors and Internal Audit Department.

Above is a summary report on the Board of Supervisors' performance in 2024, the summary of the 2020-2025 term and the Board of Supervisors' operational orientation for the 2025-2030 term, and the key operational plan of the Board of Supervisors in 2025 to be submitted to the 2025 Annual General Meeting of Shareholders.

Respectfully submit to the General Meeting of Shareholders for approval./.

***Recipients:***

- *General Meeting of Shareholders;*
- *Board of Directors, General Director;*
- *Save: Archives, Board of Supervisors,*  
*PC Department.*

**FOR BOARD OF SUPERVISORS  
HEAD OF BOARD**

No.: 01/2025/TTr-HĐQT

Hanoi. 24<sup>th</sup> April, 2025

**DRAFT**

**REPORT NO. 01**

**Re: Approval of the audited 2024 financial statements  
and profit distribution plan**

**To: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock  
Bank**

- Pursuant to the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 ("Law on Credit Institutions 2024");
- Pursuant to the provisions of the laws on finance, accounting, and fund appropriation;
- Pursuant to the Charter of Prosperity and Growth Commercial Joint Stock Bank;
- Pursuant to the 2024 Financial Statements of the Prosperity and Growth Commercial Joint Stock Bank audited by Deloitte Vietnam Audit Company Limited;
- Pursuant to the 2024 business performance results of the Prosperity and Growth Commercial Joint Stock Bank,

The Board of Directors of the Prosperity and Growth Commercial Joint Stock Bank ("BOD") respectfully submits to the General Meeting of Shareholders ("GMS") for consideration and approval of the following contents:

1. The 2024 financial statements of Prosperity and Growth Commercial Joint Stock Bank ("PGBank") have been independently audited by Deloitte Vietnam Audit Company Limited, reviewed by the PGBank's Board of Supervisors and reported at the 2025 Annual General Meeting of Shareholders. The summary of the main items is as follows:

Unit: VND

No.	Items	In 2024
1	Total assets	73,015,114,167,532
2	Owner's Equity	5,166,050,076,176
	<i>In which: Charter capital</i>	4,200,000,000,000
3	Total outstanding credit	41,533,481,865,423
4	Total mobilized capital	66,685,373,743,308
5	Profit before tax	425,448,449,178

6	Profit after tax	339,803,141,745
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2. The proposed profit distribution plan is as follows:

Unit: VND

No	Items	Amount
1	Undistributed retained earnings from the year prior to 2024	305,990,816,061
2	Profit before tax in 2024	425,448,449,178
3	Corporate income tax in 2024	85,645,307,433
4	Profit after tax in 2024 [(2) - (3)]	339,803,141,745
5	Appropriation to the Charter Capital Supplement Reserve Fund [(4) x 10%]	33,980,314,175
6	Appropriation to the Financial Reserve Fund [(4) x 10%]	33,980,314,175
7	The remaining profit after tax and fund appropriations in 2024 [(4)-(5)-(6)]	271,842,513,396
8	Total undistributed retained earnings after appropriations to the Funds [(1)+(7)]	577,833,329,457
9	Dividends	500,000,000,000
10	Undistributed retained earnings after dividend distribution [(8)-(9)]	77,833,329,457

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

**Recipients:**

- As submitted;
- Save: Board of Supervisors, Office of the Board of Directors, Committees under the Board of Directors

**FOR BOARD OF DIRECTORS  
CHAIRMAN**

**Pham Manh Thang**

**DRAFT**

## **REPORT NO. 02**

**Ref: Finalization of remuneration, bonuses, other benefits and operating budget of the Board of Directors and the Board of Supervisors in 2024 and Approval of the operating budget of the Board of Directors and the Board of Supervisors in 2025**

**Dear: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank,**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020 and its amendments and supplements ("Law on Enterprises");
- Pursuant to the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 ("Law on Credit Institutions 2024") and its amendments and supplements;
- Pursuant to Resolution No. 02/2024/NQ-DHDCD dated April 20, 2024 of the General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank;
- Pursuant to the Charter of Prosperity and Growth Commercial Joint Stock Bank (PGBank);
- Based on PGBank's 2024 business performance and 2025 business plan,

The Board of Directors reports and submits to the General Meeting of Shareholders (GMS) on the Finalization of remuneration, bonuses, other benefits and operating budget of the Board of Directors (BOD) and the Board of Supervisors (BOS) in 2024 and Approval of the operating budget of the Board of Directors and the Board of Supervisors in 2025 as follows:

### **I. Regarding the settlement of remuneration, bonuses, other benefits and operating budget of the Board of Directors and Board of Supervisors in 2024**

The Board of Directors respectfully submits to the General Meeting of Shareholders the finalization of remuneration, bonuses, other benefits and actual operating budget of the Board of Directors and the Board of Supervisors in 2024 as follows:

1. Final settlement of remuneration, bonuses, other benefits and actual operating budget of the Board of Directors in 2024 is VND 13,989,997,136, of which remuneration is VND 9,181,161,818. The 2024 operating budget implementation amount including the remuneration of the Board of Directors shall not exceed the limit approved by the General Meeting of Shareholders.
2. Final settlement of remuneration, bonuses, other benefits and actual operating budget of the Board of Supervisors in 2024 is VND 4,732,732,513, of which remuneration is VND 3,595,320,000. The 2024 operating budget implementation amount including the remuneration of the Board of Supervisors shall not exceed the limit approved by the

General Meeting of Shareholders.

## **II. Approval of the budget for the operations of the Board of Directors and the Board of Supervisors in 2025**

Based on the 2025 operating plan, the Board of Directors proposes that the General Meeting of Shareholders approve the operating budget of the Board of Directors and the Board of Supervisors for 2025, specifically as follows:

### **1. *Approval of the Board of Directors' 2025 operating budget as follows:***

- The proposed operating budget is: **VND 15,500,000,000** in which the remuneration is: **VND 10,656,000,000**.
- Authorization to the Board of Directors: (i) Decide on specific remuneration levels for each member of the Board of Directors; (ii) Decide on bonuses and other benefits for members of the Board of Directors in accordance with: Actual business situation of PGBank; Regulations on payment of bonuses and other benefits; Regulations on financial management and revenue and expenditure of PGBank and in accordance with legal regulations.

### **2. *Approval of the 2025 operating budget of the Board of Supervisors as follows:***

- The proposed operating budget is: **VND 8,200,000,000** in which the remuneration is: **VND 6,240,000,000**.
- Authorization to the Board of Supervisors: (i) Decide on specific remuneration levels for each member of the Board of Supervisors; (ii) Decide on bonuses and other benefits for members of the Board of Supervisors in accordance with: Actual business situation of PGBank; Regulations on payment of bonuses and other benefits; Regulations on financial management and revenue and expenditure of PGBank and in accordance with legal regulations.

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

#### **Recipients:**

- As submitted;
- Save: Archives, BOS, Office of the BOD.

**FOR BOARD OF DIRECTORS**

**CHAIRMAN**

**Pham Manh Thang**



No.: 03/2025/TTr-HĐQT

Hanoi, 24<sup>TH</sup> April, 2025

**DRAFT**

**REPORT NO. 03**

**Re: Approval of 2025 business plan**

**To: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank,**

Based on the 2025 economic forecast, Prosperity and Development Joint Stock Commercial Bank (PGBank) has developed its 2025 business plan with the highest level of ambition, focusing on proactive bad debt settlement and cost control.

The Board of Directors respectfully submits to the General Meeting of Shareholders for consideration and approval of the 2025 business plan as follows:

*Unit: billion dong*

No.	Criteria	Implementation in 2024	Plan in 2025	Increase/ decrease (+-)	Increase/ decrease (%)
1	Total assets	73.015	91.226	18.211	24,9%
2	Total outstanding credit	41.533	48.653	7.119	17,1%
3	Total mobilized capital	66.685	78.449	11.763	17,6%
4	Total net revenue	1.831	2.657	826	45,1%
5	Operating & Contingency Costs	1.406	1.656	250	17,8%
6	Profit before tax	425	1.001	576	135,3%
7	Charter capital	4.200	10.000	5.800	138,1%

Respectfully submit to the General Meeting of Shareholders for approval.

**FOR BOARD OF DIRECTORS  
CHAIRMAN**

**Recipients:**

- As above;
- Save: Archives, KTC, Office of the Board of Directors.

**Pham Manh Thang**

No.: 04/2025/TTr-BKS

Hanoi, dated April , 2025

**THE DRAFT**

**REPORT NO. 04**

**Re: Selecting an independent auditing unit**

**To: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank,**

- Pursuant to the Law on Enterprises No. 59/2020/QH14 dated June 17, 2020 and its amendments and supplements ("Law on Enterprises");
- Pursuant to the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 ("Law on Credit Institutions 2024") and its amendments and supplements;
- Pursuant to the Law on Independent Auditing No. 67/2011/QH12 dated March 29, 2011 and its amendments and supplements ("Law on Independent Auditing");
- Pursuant to the Decree No. 155/2020/ND-CP dated December 31, 2020 detailing the implementation of a number of articles of the Securities Law;
- Pursuant to the Decree No. 153/2020/ND-CP dated December 31, 2020 regulating the offering and trading of individual corporate bonds in the domestic market and the offering of corporate bonds to the international market and amendments and supplements;
- Pursuant to the Circular No. 51/2024/TT-NHNN dated November 29, 2024 regulating independent audit of commercial banks, non-bank credit institutions, microfinance institutions, and foreign bank branches ("Circular 51");
- Pursuant to the Circular No. 183/2013/TT-BTC dated December 4, 2013 regulating independent audit of public interest entities ("Circular 183");
- Pursuant to the Charter of Prosperity and Growth Commercial Joint Stock Bank,

The Board of Supervisors respectfully submits to the General Meeting of Shareholders for consideration and approval:

- 1. Select Independent auditing organization to review and audit the 2026 financial statements, assurance services for the operation of the internal control system in preparing and presenting the 2026 financial statements:**
  - 1.1. Auditing organization: Deloitte Vietnam Audit Company Limited
  - 1.2. Scope of provided services:
    - Review and audit financial statements;
    - Provide assurance services on the operation of internal control systems in the preparation and presentation of financial statements.
- 2. Organize audits for other contents/work other than Clause 1 of this Report:**

Approval of the authorization for the Board of Directors to select an independent audit firm from the list of audit firms approved by the competent State authority to perform

audits for public interest entities in the securities sector and that fully meet the legal requirements in order to:

- 2.1. Audit semi-annual and annual reports on the use of proceeds from bond issuance for outstanding bonds of PGBank, in accordance with the prevailing legal regulations applicable to reporting periods in 2025;
- 2.2. Conduct independent audits of other contents and activities as approved by the Board of Directors or as prescribed by law from time to time.

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

**FOR BOARD OF SUPERVISORS  
HEAD OF BOARD**

**Recipients:**

- As submitted;
- Save: Board of Supervisors, Office of the Board of Directors, Organization Block.

**Tran Ngoc Dung**

No.: 05/2025/TTr-HDQT

Hanoi, dated....., 2025

**THE DRAFT**

## **REPORT NO. 05**

**Re: Approval of the tentative remedial plan in case of application of early intervention**

**To: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank,**

- Pursuant to the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 and its amendments and supplements ("Law on Credit Institutions 2024");
- Pursuant to the actual operating situation at Prosperity and Growth Commercial Joint Stock Bank ("PGBank"),

The Board of Directors (BOD) respectfully submits to the General Meeting of Shareholders (GMS) for consideration and approval of the tentative remedial plan in case of early intervention, specifically as follows:

### **1. Basis for proposal**

According to the provisions of Clause 143 of the Law on Credit Institutions 2024, it is stated that:

- Commercial banks must formulate tentative remedial plans in case of application of early intervention. This remedial plan must be approved by the General Meeting of Shareholders and sent to the State Bank within 10 days from the date of approval.
- This remedial plan must be developed and approved before July 1, 2025.

### **2. Contents of the tentative remedial plan**

The remedial plan is implemented according to the provisions of Clause 2, Article 143 of the Law on Credit Institutions, specifically including 04 (four) main contents as follows:

2.1. Information and assessment of PGBank's organizational structure and business operations;

2.2. Financial status and operations of PGBank;

2.3. Cases of application of early intervention include:

- The Bank's accumulated losses are greater than 15% of the value of charter capital and reserve funds recorded in the most recent audited financial statements or according to the inspection and audit conclusions of competent state agencies and violate the minimum capital safety ratio as prescribed by law;
- It is ranked below the average level under the State Bank Governor's regulations;
- It fails to maintain the solvency ratio for 30 consecutive days;
- It fails to maintain the capital adequacy ratio for 06 consecutive months;
- It suffers a mass withdrawal as reported to the State Bank.

2.4. Measures to address each early intervention case include the following main measures:

- Increase in charter capital and implementation time; roadmap for reducing shareholder ownership ratio as prescribed at point b clause 1 Article 159 of Law on Credit Institutions 2024;

- Improve liquidity; increase holdings of highly liquid assets; sell, transfer assets and other solutions to meet safety requirements in banking operations;
- Improve business performance;
- Improve management and operational capacity;
- Handle existing financial weaknesses, bad debts, secured assets and measures to remedy violations of the law;
- Communication and information technology measures to overcome liquidity difficulties.

2.5. Roadmap and deadline for implementing each remedial measure.

Detailed contents of the Remedial Plan in the Appendix attached to this Report.

### **3. Content of submission**

The Board of Directors respectfully submits to the General Meeting of Shareholders for consideration and approval: Approve the tentative remedial plan in case of application of early intervention in the Appendix attached to this Report.

After the General Meeting of Shareholders approves, the Board of Directors shall report to the State Bank as required in Clause 4, Article 143 of the Law on Credit Institutions 2024.

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

#### **Recipients:**

- General Meeting of Shareholders;
- BOD, BOS (to report)
- Board of Management;
- Save: Archives, Office of Board of Directors, PC Department, Risk Management Block.

**PP. BOARD OF DIRECTORS  
CHAIRMAN**

**PHAM MANH THANG**

## APPENDIX

*(Attached to Report No. 05/2025/TTr-HĐQT)*

### TENTATIVE REMEDIAL PLAN IN CASE OF APPLICATION OF EARLY INTERVENTION

#### CHAPTER I GENERAL PROVISIONS

##### **Article 1. Objectives**

This plan stipulates unified actions to be taken to promptly respond to cases where PGBank is required to intervene early at the request of the State Bank to minimize losses for PGBank, shareholders and customers.

##### **Article 2. Scope of application**

Tentative remedial plan in case of early intervention applicable to PGBank.

##### **Article 3. Interpretation of terms and abbreviations**

1. Interpretation of terms: In this Plan, the following terms are construed as follows:
  - a) **Early intervention:** The State Bank of Vietnam (hereinafter referred to as the State Bank) applies requirements and restrictive measures to credit institutions and foreign bank branches and requires such credit institutions and foreign bank branches to implement remedial measures under the supervision of the State Bank to remedy the situation as prescribed in Clause 1, Article 156 of the Law on Credit Institutions 2024 and its amendments and supplements;
  - b) **Mass withdrawal:** Refers to the situation in which a credit institution faces the risk of insolvency or becomes insolvent, as determined by the Governor of the State Bank of Vietnam, due to a large number of depositors simultaneously withdrawing their funds.
  - c) **Equity:** Includes the actual value of the charter capital of the credit institution or the allocated capital of the foreign bank branch, plus certain reserve funds, plus certain other assets, minus deductible items. The determination of equity must comply with regulations of the State Bank Governor.
2. Abbreviations
  - a) GMS: General Meeting of Shareholders
  - b) BOD: Board of Directors
  - c) SBV: The State Bank of Viet Nam
  - d) Bank/PGBank: Prosperity and Growth Commercial Joint Stock Bank
  - e) Remedial plan: Tentative remedial plan in case of application of early intervention
  - f) CIs Credit institutions
  - g) Law on Credit Institutions: Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 and its amendments and supplements.

## **CHAPTER II**

### **PARTICULAR REGULATIONS**

#### **Article 4. Cases where the State Bank intervenes early**

1. PGBank is considered and decided by the State Bank to take early intervention when it falls into one or more of the following cases:
  - a) The accumulated loss of PGBank is greater than 15% of the value of charter capital and reserve funds recorded in the most recent audited financial statements or according to the inspection and audit conclusions of competent state agencies and violates the minimum capital safety ratio prescribed in Point b, Clause 1, Article 138 of the Law on Credit Institutions;
  - b) It is ranked below the average level under the State Bank Governor's regulations;
  - c) It fails to maintain the solvency ratio prescribed in Point a, Clause 1, Article 138 of the Law on Credit Institutions for 30 consecutive days;
  - d) It fails to maintain the capital adequacy ratio prescribed in Point b, Clause 1, Article 138 of the Law on Credit Institutions for 06 consecutive months;
  - e) It suffers a mass withdrawal as reported to the State Bank.

#### **Article 5. Information and assessment of organizational structure, business operations and financial status**

##### **1. Organizational structure**

PGBank is currently building a model in accordance with legal regulations. Accordingly, PGBank operates under the model of a joint stock company, with its management structure implemented in accordance with the provisions of the Law on Credit Institutions and the Law on Enterprises, specifically including: General Meeting of Shareholders, Board of Directors, Board of Supervisors, General Director and affiliated units.

PGBank's system includes: Head office, branches, transaction offices and other units are established according to the decision of PGBank's competent authority in accordance with legal regulations. PGBank's executive apparatus includes: General Director, Deputy General Director and support staff at Head Office.

##### **2. Strategy, business operations**

PGBank applies a modern online structured management model, ensuring efficient and flexible operations. With PGBank's increasingly expanding network of branches and transaction offices, it has helped customers access modern banking services conveniently. The Board of Directors sets strategic direction, while the General Director is responsible for implementing and managing business operations. Specialized departments work closely together to provide diverse financial services to meet customer needs. With a dedicated and professional staff, PGBank constantly innovates and applies digital technology to improve customer experience and affirm its position

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in the financial and banking market. The Bank's principal activities are to provide banking and related financial services in Vietnam, including:

### **Main products and services**

PGBank provides a full range of traditional banking products and services, including capital mobilization, credit, international payment, trade finance, card products (Flexicard), Internet Banking, Mobile Banking and insurance products. Aiming to best serve customers' needs, PGBank's staff always strives to bring customers new, diverse and useful financial products and services.

### **Information technology platform**

In the context of strong digitalization in the banking and finance industry, PGBank aims to apply technology to improve management capacity, business efficiency and customer experience. The digital transformation process at PGBank focuses on creating seamless, secure and tailored banking experiences for each individual need.

PGBank's online banking services and mobile banking application have been strongly developed, enabling customers to conveniently perform most banking transactions via the Internet and mobile banking platforms, with user-friendly interfaces and high information security.

### **Network of operations**

As of December 31, 2024, PGBank has a total of 23 branches and 68 transaction offices operating in provinces and cities across the country with 1,921 employees<sup>1</sup>. The Bank's headquarters are located in Hanoi.

In the coming time, to more conveniently serve customers in many new locations, PGBank will seek approval from the State Bank to increase the number of branches and transaction offices nationwide.

Along with that, all PGBank transaction points will be upgraded and apply a typical floor plan model according to the new brand identity. More spacious and modern branches and transaction offices promise to contribute to bringing a more convenient and modern transaction experience to customers.

### **Bank agent network**

Currently, PGBank has established a network of correspondent banks with nearly 200 banks and bank branches worldwide, in which PG Bank always establishes correspondent relationships with leading banks in each country and territory.

At the time this Remedial Plan was approved, PGBank self-assessed its business operations as follows:

- Business strategy towards sustainable, safe and effective growth.

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<sup>1</sup> According to 2024 Financial Statements data



- PGBank's current business model focuses on individual customers and small and medium enterprises with high profitability and good asset quality assurance. Specifically, in 2024, total outstanding loans to individual customers will account for 43% of PGBank's total outstanding loans, an increase of 21% in outstanding loans and 19% in the number of customers compared to 2023.
- PGBank continues to improve its business model, control credit quality, improve the proportion of fee income to total income, and enhance service quality and customer experience.

### 3. Financial and operational status:

At the time this Remedial Plan was approved, PGBank self-assessed its financial and operational status as follows:

- Business activities grow strongly in 2024, total assets increase by 31.58%; of which: Total outstanding loans to individuals and economic organizations increased by 16.6%; bad debt was well controlled at 2.07%; average capital mobilization increased by 21%; pre-tax profit reached VND 425.5 billion, an increase of 21.13% compared to 2023.
- PGBank will well control credit granting activities for high-risk industries in 2024: Outstanding loans for real estate investment and business account for only 8.34% of PGBank's total outstanding loans.
- In 2025, PGBank continues to orient towards sustainable, safe and effective growth. Target ROE > 10%; CIR < 50%; Average NIM: from 3.0 – 3.4%;
- In 2025, the average capital mobilization plan is 25.1%. In addition, PGBank closely follows the actual situation to balance capital mobilization to ensure liquidity.

## FINANCIAL STATEMENT

As of December 31, 2024

Unit: million VNĐ

No.	ITEMS	NOTES	December 31, 2024	January 01, 2024
	1	2	3	4
A	ASSETS			
I	Cash, gold, silver, gemstones	5	224.524	229.343
II	Deposits at the State Bank	6	2,197,457	1,601,718

<b>III</b>	<b>Deposits and borrowings from other credit institutions</b>	<b>7</b>	<b>23,801,965</b>	<b>14,270,357</b>
1	Deposits at other credit institutions		23,801,965	14,270,357
<b>IV</b>	<b>Derivatives and other financial assets</b>	<b>8</b>	<b>1,948</b>	<b>1.161</b>
<b>VI</b>	<b>Loans to customers</b>		<b>40,811,502</b>	<b>34,983,261</b>
1	Loans to customers	9	41,236,482	35,335,012
2	Provision for risks of loans to customers	10	(424.980)	(351.751)
<b>VI</b>	<b>Debt trading activities</b>	<b>11</b>	<b>294.772</b>	<b>22.748</b>
1	Debt purchase		297.000	22.920
2	Provision for risks in debt purchase activities		(2.228)	(172)
<b>VII</b>	<b>Investment securities</b>	<b>12</b>	<b>4,250,897</b>	<b>2,932,810</b>
1	Available-for-sale investment securities		1,937,014	2,225,648
2	Held-to-maturity investment securities		2,739,483	949.273
3	Provision for impairment of investment securities (*)		(425.600)	(242.111)
<b>VIII</b>	<b>Capital contributions, long-term investments</b>	<b>13</b>	<b>488</b>	<b>488</b>
5	Other long-term investments		529	529
6	Provision for impairment of long-term investments (*)		(41)	(41)

<b>IX</b>	<b>Fixed assets</b>	<b>14</b>	<b>248.219</b>	<b>277.365</b>
1	Tangible fixed assets	14.1	200.251	223.498
a	Original cost of fixed assets		488.264	478.524
b	Depreciation of fixed assets		(288.013)	(255.026)
2	Intangible fixed assets	14.2	47.968	53.867
a	Original cost of fixed assets		127.440	121.902
b	Depreciation of fixed assets (*)		(79.472)	(68.035)
<b>X</b>	<b>Other assets</b>	<b>15</b>	<b>1,183,343</b>	<b>1,171,867</b>
1	Receivables		643.257	528.992
2	Interests and fees receivable		468.766	569.031
3	Other assets		129.801	112.325
4	Provisions for other on-balance sheet assets		(58.481)	(38.481)
	<b>TOTAL ASSETS</b>		<b>73,015,115</b>	<b>55,491,118</b>
<b>B</b>	<b>LIABILITIES AND OWNER'S EQUITY</b>		-	-
<b>I</b>	<b>Government and State Bank debts</b>	<b>16</b>	<b>419.069</b>	-
1	Deposits and borrowings from the Government and the state Bank of Vietnam		419.069	-

No.	ITEMS	NOTES	<u>December 31, 2024</u>	<u>January 01, 2024</u>
<b>I</b>	<b>Contingent Liability</b>		<b><u>8,818,705</u></b>	<b><u>5,964,527</u></b>
1	Loan guarantee	35	40.712	12.976
2	Foreign currency commitments	35	2,538,759	572.772
<i>a</i>	<i>Foreign currency purchase commitments</i>		149.937	14.562
<i>b</i>	<i>Foreign currency sale commitments</i>		127.065	36.405
<i>c</i>	<i>Swap commitments</i>		2,261,757	521.805
3	Letters of credit commitments	35	564.728	480.507
4	Other guarantees	35	4,902,944	4,103,025
5	Other commitments	35	771.562	795.247
6	Uncollected interest from loans and fee receivables	36	683.839	652.104
7	Bad debt written off	37	2,865,745	2,843,727
8	Other assets and documents	38	2,830,884	2,358,508

**Article 6. Measures implemented to address early intervention incidents**

**1. In case the accumulated loss is greater than 15% of the value of charter capital and reserve funds and violates the minimum capital safety ratio**

Expected implementation measures include:

- Improve business efficiency and reduce operating costs of PGBank.
- Control credit quality, reduce bad debt, improve asset quality; strengthen inspection and supervision of capital use purposes and customers' debt repayment ability.

- Increase charter capital within a specific period of time and/or have a roadmap to reduce the share ownership ratio as prescribed in Point b, Clause 1, Article 159 of the Law on Credit Institutions: Develop a specific roadmap to ensure gradual overcoming of capital shortage and ensure safe banking operations.
- 2. In case of below average rating according to the regulations of the Governor of the State Bank**
- Measures expected to be implemented include:
- Improve management and operational capacity.
  - Handle existing financial weaknesses, bad debts, secured assets and measures to overcome legal violations; focus on recovering overdue debts and bad debts.
- 3. In case of failing to maintain the solvency ratio for 30 consecutive days**
- Measures expected to be implemented include:
- Improve liquidity; Increase holdings of highly liquid assets such as deposits at the State Bank, overnight deposits at other credit institutions and government bonds. Sale, transfer assets and other solutions to meet the safety ratio requirements as prescribed.
  - Gradually reduce net cash outflow over the next 30 days.
- 4. In case of failing to maintain the capital adequacy ratio for 06 consecutive months**
- Measures expected to be implemented include:
- Improve equity capital, including Tier II capital.
  - Improve Risk Asset Classes.
- 5. In case of mass withdrawal and report to State Bank**
- a) Communication and information technology measures to overcome liquidity difficulties.
- Communication work:
    - + External communication aims to strengthen the trust of customers, correspondent banks and partners; including strengthening communication activities at transaction points, on PGBank's website, PGBank's social media channels and mass media.
    - + Internal communication such as instructions on answering customer questions about the Bank, sending letters to encourage solidarity among all staff; at the same time, popularizing the image, goals and plans of PGBank.
    - + Strictly control information that is detrimental to PGBank's reputation.
  - Information technology work:
    - + Ensure stable operation of information technology systems, perform data backups, check backup systems/devices/lines, enhance system monitoring and prevent network attacks that reduce customer service capabilities.
    - + Prepare contingency plans to respond to sudden increases in transactions.
    - + Assign personnel to branches and transaction offices to support and handle IT incidents.
    - + Report and recommend to the Executive Board actions on information technology systems management.

- b) Implement measures to restore mobilization through adjusting product/program regulations to attract customers who have withdrawn money to deposit again, especially large customers.
- c) Propose solutions to restore depositor confidence.
- d) Approach the State Bank and partners to borrow from the State Bank, borrow for electronic payment, borrow for clearing payment, borrow for special payment, borrow for refinancing and borrow for interbank.
- e) Negotiate with other banks to withdraw early maturity deposits/loans according to criteria to minimize losses for PGBank.
- f) Allocate capital to branches and transaction offices based on capital needs, scale of operations and level of illiquidity of the units.
- g) Sell, transfer or mortgage other assets outside of PGBank's liquidity reserve portfolio to create additional liquidity.
- h) Some other solutions to meet the requirements of ensuring safety in banking activities; comply with one or more limits and ratios prescribed in Article 136 and Article 138 of the Law on Credit Institutions.

#### **Article 7. Roadmap and deadline for implementing each remedial measure**

When early intervention is possible, the roadmap and expected implementation period for the main remedial measures (stated in Article 157 of the Law on Credit Institutions) are as follows:

- Communication to overcome liquidity difficulties: 3 months.
- Communication and information technology measures to overcome liquidity difficulties. 6 months.
- Increase holdings of highly liquid assets: 6 months.
- Increase charter capital and have a roadmap to reduce the shareholder ownership ratio as prescribed in Point b, Clause 1, Article 159 of the Law on Credit Institutions: 1 year
- Sale, transfer of assets: 1 year
- Improve business performance: 1 years.
- Improve management and operational capacity: 1 years.
- Handle existing financial weaknesses, bad debts, secured assets and measures to remedy violations of the law: 1 years.

When early intervention is provided, the roadmap and expected implementation period for each of the above-mentioned main remedial measures as well as this Remedial Plan will be updated according to the written request of the State Bank (as stipulated in Clause 2, Article 156 of the Law on Credit Institutions), ensuring compliance with the provisions of the Law, the market situation and the reality of PGBank at that time.

**CHAPTER III**  
**IMPLEMENTATION PROVISIONS**

**Article 8. Effect**

1. The remedial plan takes effect from the date of approval by the General Meeting of Shareholders.
2. In case the Remedial Plan has been approved by the General Meeting of Shareholders and the State Bank has comments on adjustments (amendments, supplements), the adjustment of the Remedial Plan according to the State Bank's request will be implemented by the Board of Directors in accordance with the provisions of the Law on Credit Institutions.
3. In case there are provisions of relevant laws that have not been mentioned in this document or in case there are new provisions of relevant laws that are different from the terms in this document, the provisions of such laws shall naturally apply.

No. /2025/TTr-HĐQT

Hanoi, April ...., 2025

THE DRAFT

## REPORT NO. 06

Re: Approval of the plan to increase PGBank's Charter Capital

**To: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank,**

- Pursuant to the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 and its amendments and supplements ("Law on Credit Institutions 2024");
- Pursuant to the (amended and supplemented) Law on Enterprises No. 59/2020/QH14 and its guiding documents;
- Pursuant to the Securities Law No. 54/2019/QH14 and its guiding documents;
- Pursuant to the Charter of Prosperity and Growth Commercial Joint Stock Bank ("PGBank"/ "Bank");
- Pursuant to Circular No. 50/2018/TT-NHNN dated December 31, 2018 stipulating the dossier, order and procedures for approving a number of changes of commercial banks, foreign bank branches and its amendments and supplements;
- Pursuant to the actual situation,

Pursuant to the development strategy of PGBank, in order to improve the financial capacity as well as the competitiveness of the Bank and the growth of the scale of operations in the coming time to ensure compliance with regulations on safe banking operations, the Board of Directors ("BOD") respectfully submits to the General Meeting of Shareholders for consideration and approval of the plan to increase the charter capital of PGBank, specifically as follows:

### **I. Plan to increase charter capital**

#### **1. Charter capital increase level**

##### **1.1. Information on current charter capital:**

- Current charter capital: VND 4,200,000,000,000 (In words: Four thousand two hundred billion dong).
- Number of issued ordinary shares: 420,000,000 (Four hundred twenty million) shares.
- Number of outstanding ordinary shares: 420,000,000 (Four hundred twenty million) shares.

##### **1.2. Information on expected charter capital after the end of the 2024 charter capital increase:**

- Expected charter capital after the end of the charter capital increase in 2024: VND 5,000,000,000,000 (In words: Five thousand billion dong).
- Expected number of ordinary shares after the end of the charter capital increase in 2024: 500,000,000 (Five hundred million) shares.

##### **1.3. Information on expected increase in charter capital in 2025:**



- Expected maximum increase in charter capital: VND 5,000,000,000,000 (*In words: Five thousand billion dong*).
- Number of shares to be issued: 500,000,000 (*Five hundred million*) shares

#### **1.4. Information on expected charter capital after completion of capital increase in 2025:**

- Expected charter capital after completion of capital increase: VND 10,000,000,000,000 (*In words: Ten thousand billion dong*).
- Expected number of outstanding ordinary shares after completion of Capital increase: 1,000,000,000 (*One billion*) shares.
- Total par value of expected shares after the capital increase completion: VND 10,000,000,000,000 (*In words: Ten thousand billion dong*).

#### **2. Form and method of issuance**

- Issuance of shares to pay dividends: Total expected increase in share value (at par value): VND 500,000,000,000 (*Five hundred billion dong*) equivalent to a 10% issuance rate.
- Public offering of shares to existing shareholders: Total expected increase in share value (at par value): VND 4,500,000,000,000 (*Four thousand five hundred billion dong*) equivalent to an offering ratio of 9 to 11.

*(Detailed content is presented in the Charter Capital Increase Plan for 2025 attached to this Report).*

#### **3. Time of issuance:** Expected in 2025.

#### **4. Information on tentative shareholders**

- List of shareholders and shareholding ratio of shareholders with ownership ratio of 5% or more compared to voting shares and charter capital as of March 31, 2025<sup>1</sup> and expected after capital increase: Details in the attached Charter Capital Increase Plan for 2025;
- List of shareholders and related persons with a share ownership ratio of 20% or more compared to the charter capital as of March 31, 2025 and expected data after capital increase: Details in the attached Charter Capital Increase Plan for 2025;
- Information on total share ownership of foreign investors before and after capital increase: Details in the attached Charter Capital Increase Plan for 2025.

#### **5. Registration of additional shares and transactions**

Registration of additional shares at Vietnam Securities Depository and Clearing Corporation ("VSDC") and registration of additional share transactions (on the UPCoM trading system) at Hanoi Stock Exchange for the number of additional shares issued/offered.

#### **6. Capital usage plan and expected business plan after increasing charter capital**

Presented in the attached Charter Capital Increase Plan for 2025.

### **II. Content to be submitted to the General Meeting of Shareholders for approval**

Based on the above presentation, the Board of Directors respectfully submits to the General Meeting of Shareholders to

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<sup>1</sup> The data is determined according to the list of shareholders at the most recent time PGBank received from VSDC as of March 31, 2025.

1. Approve the Charter Capital Increase Plan for 2025 attached to this Report. The expected maximum Charter Capital after completing the Charter Capital increase in 2025 is VND 10,000,000,000,000 (*In words: Ten thousand billion dong*).
2. Approve the amendment and supplement to Clause 1, Article 17 of PGBank's Charter on the new Charter Capital level corresponding to the completion of the capital increase according to the Charter Capital Increase Plan in 2025 in accordance with the law and at the same time have a decision of the State Bank on amending the charter capital level in the License.
3. Approve the registration, deposit at VSDC and registration of additional securities trading at Hanoi Stock Exchange for all shares offered and issued additionally.
4. In addition to the specific assigned/authorized contents in the Charter Capital Increase Plan for 2025, the General Meeting of Shareholders authorizes and assigns tasks to the Board of Directors to proactively carry out specific tasks to implement the Charter Capital Increase Plan for 2025 in accordance with the practical operational needs of PGBank, legal regulations and requirements/instructions of competent authorities, including the following tasks:
  - 4.1. Decide on amending, supplementing, completing and explaining all issues and contents of the Charter Capital Increase Plan for 2025 (including contents not presented in the Charter Capital Increase Plan (if any)) to carry out the capital increase in accordance with legal regulations and requirements of competent State agencies.
  - 4.2. Consider and decide on specific timing for implementing charter capital increase plans, timing for closing the shareholder list, and timing for distributing shares.
  - 4.3. Adjust the plan for using the capital obtained based on efficiency, in accordance with PGBank's business reality and in accordance with legal regulations.
  - 4.4. Decide and carry out procedures and sign records and documents to deploy and implement the Charter Capital Increase Plan, including but not limited to: (i) Documents and procedures for requesting approval of PGBank's Charter Capital Increase Plan according to regulations and requirements/instructions of the Competent Authority on this matter; (ii) Documents and procedures for registration, depository, registration for additional securities transactions; (iii) Procedures for amending and supplementing the License, other procedures, records and legal documents related to updating the new Charter Capital level according to the actual implementation results of PGBank's Charter Capital Increase Plan.
  - 4.5. Decide and implement amendments to the contents related to Charter Capital and shares in the Charter of PGBank after completing the offering and issuance.
  - 4.6. Decide on plans on handling odd-lot shares arising from the issuance of shares to increase charter capital; address the treatment of unsold shares in the offering to existing shareholders; and determine the actual number of issued shares to be officially recorded.
  - 4.7. Adjust the plan for using capital raised from the issuance if necessary to suit the actual situation, investment strategy and development orientation of PGBank and ensure compliance with the provisions of Clause 2, Article 9 of Decree 155/2020/ND-CP, and only change the plan for using capital, the amount of money raised from the offering, issuance with a change value of less than 50% of the capital, the amount of money raised from the offering, issuance when authorized by the General Meeting of Shareholders and according to the provisions of the Charter. When changing the capital

usage plan, the amount of money collected from the offering and issuance, the Board of Directors will report to the General Meeting of Shareholders at the nearest meeting.

4.8. Decide on other contents (if any) to complete the charter capital increase.

5. During the implementation process, if necessary, the Board of Directors has the right to re-assign/re-delegate the above assigned/authorized content in accordance with the Bank's internal regulations and legal regulations.

Sincerely./.

**Recipients:**

- *As above;*
- *BOM, Board of Supervisors;*
- *Save: Archives, Office of Board of Directors.*

**FOR BOARD OF DIRECTORS**

**CHAIRMAN**

**Pham Manh Thang**

Hanoi, dated....., 2025

## **PGBANK'S CHARTER CAPITAL INCREASE PLAN**

*(Attached to Report No. ....../...../..... dated ....../...../..... of the Board of Directors of  
Prosperity and Growth Commercial Joint Stock Bank)*

### **I. INFORMATION ABOUT THE ISSUING ORGANIZATION**

- Name of issuing organization: **Prosperity and Growth Commercial Joint Stock Bank**
- Name in English: Prosperity and Growth Commercial Joint Stock Bank
- Abbreviation name: PGBANK
- License for establishment and operation of a commercial joint stock bank No. 42/GP-NHNN dated June 16, 2021 of Prosperity and Growth Commercial Joint Stock Bank and amended, supplemented and replaced documents from time to time
- Address of Head Office: 16th, 23th, 24th floors of MIPEC Building, No. 229 Tay Son, Nga Tu So Ward, Dong Da District, Hanoi
- Tel: (84.24) 6281 1298
- Website: <https://www.pgbank.com.vn/>

### **II. LEGAL BASIS**

- Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 and its amendments and supplements ("Law on Credit Institutions 2024");
- Enterprise Law No. 59/2020/QH14 dated June 17, 2020, amended and supplemented by Law No. 03/2022/QH15;
- Securities Law No. 54/2019/QH14 dated November 26, 2019; Law on Amending and Supplementing a Number of Articles of the Law on Securities, Accounting Law, Law on Independent Audit, Law on the State Budget, Law on Management and Use of Public Property, Law on Tax Administration, Law on Personal Income Tax, Law on the National Reserve and Law on Handling of Administrative Violations issued on November 29, 2024 and their guiding documents;
- Decree No. 155/2020/ND-CP dated December 31, 2020 on detailing the implementation of a number of articles of the Securities Law;
- Circular No. 118/2020/TT-BTC dated December 31, 2020 guiding provisions on offering and issuance of securities, public bid, redemption of stocks, public company registration and cancellation of status of public companies;
- Circular No. 22/2019/TT-NHNN dated November 15, 2019 regulating limits and safety ratios in the operations of banks and foreign bank branches and its amendments and supplements;

- Circular No. 50/2018/TT-NHNN dated December 31, 2018 stipulating the dossier, order and procedures for approving a number of changes of commercial banks, foreign bank branches and its amendments and supplements;
- Other relevant legal documents;
- PGBank's Charter.

### **III. NECESSITY OF CHARTER CAPITAL INCREASE**

The increase of charter capital of PGBank is essential and carries significant importance in enhancing the Bank's financial capacity, operational efficiency, and competitiveness in the context of economic integration, as well as in meeting the requirements set by State authorities, specifically:

1. Respond to the State Bank's requirements on improving the financial capacity of joint stock commercial banks, creating a foundation for network development, market expansion and business scale, diversifying the types of banking services and products;
2. Improve financial capacity to invest, improve infrastructure, build headquarters, modernize information technology systems to serve business operations, banking management and provide new banking products and services;
3. Ensure compliance, meet safety standards, and improve risk management capabilities in the Bank's operations;
4. Supplement capital for business operations.

### **IV. CHARTER CAPITAL INCREASE PLAN**

#### **1. Charter capital increase level**

##### **1.1. Information on current charter capital:**

- Current charter capital: VND 4,200,000,000,000 (*In words: Four thousand two hundred billion dong*).
- Number of issued ordinary shares: 420,000,000 (*Four hundred twenty million*) shares.
- Number of outstanding ordinary shares: 420,000,000 (*Four hundred twenty million*) shares.

##### **1.2. Information on expected charter capital after the end of the 2024 charter capital increase:**

- Expected charter capital after the end of the charter capital increase in 2024: VND 5,000,000,000,000 (*In words: Five thousand billion dong*).
- Expected number of ordinary shares after the end of the charter capital increase in 2024: 500,000,000 (*Five hundred million*) shares.

##### **1.3. Information on expected increase in charter capital in 2025:**

- Expected maximum increase in charter capital: VND 5,000,000,000,000 (*In words: Five thousand billion dong*).
- Number of shares to be issued: 500,000,000 (*Five hundred million*) shares

##### **1.4. Information on expected charter capital after completion of capital increase in 2025:**

- Expected charter capital after completion of capital increase: VND 10,000,000,000,000 (*In words: Ten thousand billion dong*).
- Expected number of outstanding ordinary shares after completion of Capital increase: 1,000,000,000 (*One billion*) shares.
- Total par value of expected shares after the capital increase completion: VND 10,000,000,000,000 (*In words: Ten thousand billion dong*).

## 2. Form of capital increase

- Issuance of shares to pay dividends;
- Public offering of shares to existing shareholders.

## 3. Detailed issuance plan to increase charter capital

### 3.1. Plan for increasing charter capital through stock dividend issuance

Type of share	: Ordinary shares
Par value shares	: VND 10,000/share ( <i>Ten thousand dong per share</i> )
Number of shares issued	: Maximum 50,000,000 ( <i>Fifty million</i> ) shares
Total value of shares expected to be issued (at par value)	VND 500,000,000,000 ( <i>Five hundred billion dong</i> )
Object of issuance	: Existing shareholders whose names appear on the list of PGBank shareholders as of the record date shall be entitled to receive shares ("the List").  The timing of the record date shall be decided by the Board of Directors under the authorization of the General Meeting of Shareholders.
Method of issuance	: Issuance of shares to pay dividends by exercising rights.
Expected issuance rate:	: 10% (number of shares expected to be issued/number of shares outstanding at the time of issuance after completing the charter capital increase in 2024).
Expected rights execution rate	: 10:1, accordingly, on the record date for shareholders to exercise their rights, shareholders owning 01 share will be entitled to 01 right to receive and for every 10 rights to receive, they will receive 01 newly issued share according to the principle of rounding down to the nearest unit.
Issuance source	: <u>Undistributed profits are based on PGBank's audited 2024 financial statements after completion of tax obligations and appropriation of aside funds as prescribed. In which:</u>

- Undistributed earnings as of December 31, 2024: VND 645,793,957,806;
  - Undistributed profits after appropriation for expected funds: VND 577,833,329,457.
- Amount used to increase Charter capital: VND 500,000,000,000.

Transfer restrictions	:	Shares owned by shareholders after exercising their purchase rights will not be subject to transfer restrictions.  Expected in 2025.
Time of issuance	:	The specific issuance time shall be determined by the Board of Directors in accordance with the approvals of the State Bank of Vietnam ("SBV") and the State Securities Commission of Vietnam ("SSC").
Share distribution time	:	After obtaining approval from the State Securities Commission and within the distribution period prescribed by law.
Purpose of issuance	:	Issuance of shares to pay dividends.
Rounding Down Principle and Handling of Odd-Lot Shares	:	The number of shares issued according to the distribution ratio of rights to each shareholder is calculated as an integer, the decimal part will not be rounded to 01 share. The fractional shares arising from rounding down (if any) shall be canceled.
Registration, Additional Depository and Additional Trading Registration	:	The additional issued shares will be registered and deposited at the Vietnam Securities Depository and Clearing Corporation (VSDC) and registered for additional trading on the Hanoi Stock Exchange (HNX) in accordance with the law immediately after the end of the issuance.

### **3.2. Plan to increase charter capital through offering additional shares to the public to existing shareholders**

Type of share	:	Ordinary shares
Par value shares	:	VND 10,000/share ( <i>Ten thousand dong per share</i> )
Number of shares issued with share purchase rights	:	Maximum 450,000,000 ( <i>Four hundred and fifty million</i> ) shares
Total value of shares expected to be offered (at par value)	:	VND 4,500,000,000,000 ( <i>Four thousand five hundred billion dong</i> )

- Offering price : VND 10,000/ share.
- Offering subject : Existing shareholders whose names are on the list of shareholders on the last registration date to close the list of shareholders to exercise the right to purchase shares ("List").
- The timing of the record date shall be decided by the Board of Directors under the authorization of the General Meeting of Shareholders.
- Offering method : Issuance of stock purchase rights to existing shareholders of the Offering Subject.
- Offering Rate : 9:11 (number of shares expected to be offered/number of shares outstanding at the time of offering after the end of the share issuance to increase capital from equity in this Plan).
- Rate to exercise of rights : 11:9, accordingly, on the record date for shareholders to exercise their rights, shareholders owning 01 share will be entitled to 01 right to buy additional shares offered for sale. For every 11 purchase rights, 9 new shares may be purchased.
- Time of offering : Expected in 2025.
- The specific issuance time shall be determined by the Board of Directors in accordance with the approvals of the State Bank of Vietnam ("SBV") and the State Securities Commission of Vietnam ("SSC").
- Share distribution time : After obtaining approval from the State Securities Commission and within the distribution period prescribed by law.
- Purpose of issuance : Loans to meet customers' capital needs.
- Transfer of purchase rights : Existing shareholders whose names are on the list of Securities Owners allocated purchase rights provided by VSDC have the right to transfer their share purchase rights to others within the prescribed time (no later than 05 (five) working days before the deadline for payment of purchase).
- The right to purchase can only be transferred 01 (one) time (*the transferee cannot transfer it to a third party*). The transferor and transferee shall agree on the transfer price, make payment and be responsible for performing the obligations as prescribed in relation to the transfer.
- For example, on the Record Date, Shareholder A owns 200 shares and will be entitled to 200 purchase rights. Shareholder A can transfer 100 purchase rights to investor B and transfer 100 purchase rights to investor C. Investors B and C are not allowed to transfer the purchase*



*rights to a third party.*

Principle of rounding down, handling odd-lot shares, shares that investors refuse to buy : For odd-lot shares (if any) arising from the exercise of rights, in order to ensure that the number of shares offered does not exceed the total number of shares to be issued, the number of additional shares that shareholders are entitled to purchase will be rounded down to the nearest whole number. Any fractional shares (if any) will be rounded down to zero.

*For example, on the Record Date, Shareholder A owns 200 shares and will be entitled to 100 purchase rights. At that time, the number of additional shares offered for sale that shareholder A can buy is as follows:  $(200 \times 9) / 11 = 163.64$  shares. After rounding down to the nearest unit, the number of shares that shareholder A is entitled to buy is 163 shares.*

Minimum successful offering rate : Not applicable.

Capital Use Plan : The capital raised from the issuance of shares is expected to be allocated for the Bank's operations according to the capital use plan in Section V of this Plan.

Plan to handle shares that existing shareholders do not register to buy/ do not pay for/ register to buy but do not pay for on time/ shares that have not been fully distributed : The remaining shares that have not been fully distributed to existing shareholders (including the shares arising from rounding, the remaining shares due to shareholders not exercising their purchase rights and the remaining shares that have not been issued due to other reasons) will be offered by the Board of Directors to other investors (including other existing shareholders) at an offering price not lower than the offering price for existing shareholders exercising their purchase rights and ensuring compliance with relevant legal regulations, including but not limited to regulations on foreign ownership ratio at the Bank, or the offering will be terminated according to the decision of the Board of Directors.

The General Meeting of Shareholders assigns/authorizes the Board of Directors to decide on the offering, establish criteria and select other investors who want to buy the shares that existing shareholders have not registered to buy, have not paid for, or have not fully distributed.

In case the time limit for distributing shares prescribed by law (including extension period, if any) expires and the shares have not been fully distributed, the undistributed shares shall be canceled and the Board of Directors shall decide to end the offering.

Assess the expected level of share dilution : In the issuance of shares to existing shareholders, there may be risks of expected share dilution after issuance, including:

- after issuance
- (i) Dilution of basic earnings per share;
  - (ii) Dilution of book value per share;
  - (iii) Dilution of holdings and voting rights;
  - (iv) Dilution of reference price on the trading date without rights to purchase additional issued shares.

The General Meeting of Shareholders assigns the Board of Directors to make a specific assessment of the expected level of share dilution after the issuance based on actual conditions at the time of the issuance.

Transfer restrictions : Additional shares offered to existing shareholders are not subject to transfer restrictions.

Existing shareholders who own shares in restricted transfer status are still allocated purchase rights. The number of additional shares purchased from exercising the purchase right is not subject to transfer restrictions.

In case of handling odd shares, offering shares that have not been fully distributed to other investors, these shares will be restricted from transfer within 01 (one) year from the end date of the offering as prescribed in Clause 2, Article 42 of Decree 155/2020/ND-CP dated December 31, 2020.

Registration, Additional Depository and Additional Trading Registration : The additional issued shares will be registered and deposited at the Vietnam Securities Depository and Clearing Corporation (VSDC) and registered for additional trading on the Hanoi Stock Exchange (HNX) in accordance with the law immediately after the end of the issuance.

Obligations of Shareholders/Transferees of Purchase Rights :

- Shareholders/Transferees of purchase rights must fully perform their obligations as shareholders according to the provisions of the Law on Credit Institutions currently in effect and related amendments, supplements and instructions.
- Be responsible before the law for the legality of the source of funds to purchase shares and be responsible for providing records and documents related to the source of funds to purchase shares as requested by PGBank and competent State agencies (if requested).
- Not use capital provided by credit institutions or foreign bank branches to pay for shares purchased at PGBank.
- Not buy PGBank shares under the name of another individual or organization in any form, except in cases of authorization as prescribed by law.
- In case of receiving investment trust for another individual or organization, the Shareholder/Transferee of purchase rights must provide PGBank with information about the actual owner of the

shares that he/she receives investment trust at PGBank. PGBank has the right to suspend the status and rights of shareholders in case it is discovered that the Shareholder/Transferee does not provide authentic information about the real owner of the shares.

- Responsible for complying with the provisions of the Law on Credit Institutions currently in effect on the limit on share ownership of shareholders, shareholders and related persons, and compliance with the provisions on major shareholders and related persons of major shareholders.
- Fully perform the obligation to disclose information in accordance with legal regulations (if subject to information disclosure as prescribed in Circular No. 96/2020/TT-BTC) and amended and supplemented documents, and take full responsibility for performing this obligation to disclose information.

**4. List of shareholders and shareholding ratio of shareholders with ownership ratio of 5% or more compared to voting shares and charter capital as of March 31, 2025 and expected after capital increase**

Details in Appendix I attached to this Plan.

**5. List of shareholders and related persons with a share ownership ratio of 20% or more compared to the charter capital as of March 31, 2025 and expected data after capital increase: None.**

**6. Information on total number of shares owned by foreign investors before and after capital increase**

**a) Total number of shares owned by foreign investors at PGBank before and after capital increase:**

- According to the list of shareholders closing on March 31, 2025 provided by VSDC to PGBank, Total share ownership of foreign investors at PGBank before capital increase is: 222,281 shares (equivalent to the ratio: 0.05%).
- The total number of shares owned by foreign investors at PGBank is expected to be 444,562 shares after the capital increase (equivalent to the ratio: 0.05%).

**b) In case of handling undistributed shares according to the plan of distributing shares to other investors (including existing shareholders), including foreign investors (if any), PGBank will also ensure compliance with regulations on foreign investors' ownership ratio at the Bank.**

**c) PGBank commits to always ensure compliance with legal regulations on foreign investors' share ownership ratio before, during and after issuing shares according to the above plans at PGBank and is responsible for any violation of this commitment.**

**7. Publish information**

PGBank shall disclose information in accordance with PGBank's internal regulations, legal regulations and instructions of competent authorities (if any).

## V. CAPITAL USE PLAN

The total amount of money collected from the share issuance to pay dividends and offer additional shares to the public to existing shareholders to increase charter capital is VND 5,000,000,000,000 (*In words: Five trillion dong*). Expected details are as follows:

*Unit: VND*

No.	Items	Estimated amount	Expected time
<b>Loans to meet customers' capital needs</b>		<b>5,000,000,000,000</b>	<b>2026-2028</b>
1	Short term loans	2,000,000,000,000	2026-2028
2	Medium and long term loans	3,000,000,000,000	2026-2028

The General Meeting of Shareholders assigns the Board of Directors to proactively adjust, balance and allocate the proceeds from the capital increase to the above purposes in a reasonable manner, depending on the actual situation to ensure efficiency and benefits for the Bank, shareholders and in accordance with the law and regulations in this Plan.

In case the proceeds from the offering are not sufficient to cover the entire intended purpose, the Bank may use legal loans, ensuring compliance with the Bank's asymptotic capital adequacy ratio regulations and relevant legal regulations.

## VI. EXPECTED BUSINESS PLAN AFTER INCREASING CHARTER CAPITAL

PGBank plans to increase its charter capital (VDL) in 2025 and plans some business plan targets for 2025 - 2028 as follows:

*Unit: Million dong*

Items	Expected in 2025	Expected in 2026	Expected in 2027	Expected in 2028
Total assets	91,226	102,077	117,183	137,976
Total outstanding credit	48,653	56,924	68,309	84,020
Total mobilized capital	78,449	87,768	101,162	119,646
Total income	2,657	3,262	3,992	4,989
Operating & Contingency Costs	1,656	1,956	2,364	2,821
Profit before tax	1,001	1,306	1,628	2,168
Charter capital	10,000	10,000	10,000	10,000
Non-performing loan ratio	Under 2%			
Capital Adequacy Ratio CAR	Ensure compliance with State Bank regulations			

## VII. FEASIBILITY OF THE PLAN

### 1. Feasibility of increasing Charter Capital

- To improve PGBank's financial capacity and competitiveness and ensure benefits for shareholders, increasing charter capital is an inevitable trend. After increasing capital, PGBank will improve its investment capacity, develop infrastructure, expand its network,

develop synchronously and modernly to keep up with the trend of the times, thus ensuring the interests of shareholders.

- According to the 2024 audited financial statements, the accumulated undistributed profits and the reserve fund to supplement charter capital used to issue shares to increase capital are sufficient to increase charter capital by VND 500,000,000,000 through the issuance of shares to pay dividends.
  - With the current development of the stock market and the reputation of PGBank, increasing charter capital by an additional VND 4,500,000,000,000 through a public offering of shares to existing shareholders at an offering price lower than the market price is completely feasible.
- 2. PGBank's governance, management and supervision capacity regarding capital scale and operating scale when increasing charter capital**
- The members of the Board of Directors and the Board of Supervisors are all prestigious, qualified, experienced in banking management and have a lot of enthusiasm and responsibility to contribute to the development of the Bank.
  - In addition, the Bank's Board of Directors are all qualified, well-trained members with professional working style, ethics and dedication to the development of the Bank.
  - In addition, PGBank has completed the internal control system including the system of policies, regulations, rules, guidance procedures, functional departments, auditing and risk control of the Bank in each business activity. PGBank's internal control system basically ensures compliance with the provisions of Circular No. 13/2018/TT-NHNN and its amendments and supplements, and is consistent with practice.
  - With a unified governance and management mechanism, regular and effective coordination between the activities of the Board of Directors and the Board of General Directors in operating business activities is an important factor helping PGBank develop effectively and firmly.

## **VIII. ROADMAP TO INCREASE CHARTER CAPITAL**

1. Simultaneously submit documents for Issuing shares from equity capital and Offering additional shares to the public to existing shareholders. To ensure that the distribution of shares takes place smoothly and in accordance with the content registered with the State Securities Commission, the time frames for issuance and offering after the registration documents for issuance and offering are accepted by the State Securities Commission are implemented as follows:
  - The submission of the application for Issuance of shares from equity capital and the application for Public Offering of additional shares to existing shareholders take place simultaneously;

- Closing the list of shareholders exercising the right to purchase shares Offered to existing shareholders is carried out after the end of the Share Issuance from equity capital;
- The expected timeline and implementation steps are as follows:

STEP	DETAILS
1	Submit application for Issuance of shares from equity capital and application for Offering additional shares to existing shareholders.
2	State Securities Commission announces receipt of full documents for Issuing shares from equity capital
3	Closing date for entitlement to receive bonus shares issued from owner's equity
4	Closing date of the share issuance from owner's equity
5	State Securities Commission approves additional public offering of shares
6	Closing date for rights to purchase shares offered to existing shareholders
7	Closing date of offering to existing shareholders

The General Meeting of Shareholders approves/agrees/ratifies the authorization/delegation/assignment of tasks to the Bank's Board of Directors Decide on specific timelines based on the actual capital increase implementation situation.

#### **IX. IMPLEMENTATION ORGANIZATION**

The Board of Directors will be responsible for carrying out procedures to issue shares to increase Charter Capital according to the above Plan.

**Appendix I:**

**List of shareholders and shareholding ratio of shareholders with ownership ratio of 5% or more compared to voting shares and charter capital as of March 31, 2025 and expected after capital increase**

No.	Name of shareholders	Enter prise code	Address of headquarter:	Legal representative of the organization	Identity card number or identification number or document in lieu of passport, date of issue, place of issue	Nationality	As of March 31, 2025 <sup>1</sup>		Expected after capital increase	
							Ratio of share ownership to voting equity (%)	Ratio of share ownership p to charter capital (%)	Ratio of share ownership to voting equity (%)	Ratio of share ownership p to charter capital (%)
1	Cuong Phat International Joint Stock Company						13.54	13.54	6.26	6.26
2	Vu Anh Duc Trading Joint Stock Company						13.36	13.36	6.17	6.17
3	Gia Linh Import Export and Trade Development						13.10	13.10	6.05	6.05

<sup>1</sup> The data is determined according to the list of shareholders at the most recent time PGBank received from VSDC as of March 31, 2025.

[illegible]



No. 2025/TTr-HĐQT

Hanoi, dated , 2025

THE DRAFT

**REPORT NO. 07**

**Re: Election of members of the Board of Directors and members of the Board of Supervisors of PGBank  
in the term of 2025-2030**

**To: General Meeting of Shareholders of Prosperity and Growth Commercial Joint Stock Bank,**

- Pursuant to the Law on Enterprises 2020 and its amendments and supplements;
- Pursuant to the Law on Credit Institutions 2024 and its amendments and supplements;
- Pursuant to Circular No. 22/2018/TT-NHNN dated September 5, 2018 of the State Bank of Vietnam guiding the procedures and documents for approving the proposed list of personnel of commercial banks, non-bank credit institutions and foreign bank branches and its amendments and supplements;
- Pursuant to the current Charter of Prosperity and Growth Commercial Joint Stock Bank issued together with Resolution No. 05/2024/NQ-DHDCD dated April 20, 2024;
- Pursuant to Notice No. 40/2025/TB-HĐQT dated February 12, 2025 on candidacy and nomination of personnel expected to be elected as members of the Board of Directors and members of the Board of Supervisors of PGBank for the 2025-2030 term;
- Pursuant to the results of receiving candidacy and nomination profiles for the Board of Directors and Board of Supervisors for the 2025-2030 term;
- Pursuant to Official Dispatch No. / dated , 2025 of the State Bank of Vietnam on approving the list of candidates to be elected as members of the Board of Directors and members of the Board of Supervisors of PGBank for the 2025-2030 term,

According to the law and PGBank's Charter, at the 2025 Annual General Meeting of Shareholders, members of the Board of Directors ("Board of Directors"), Board of Supervisors ("BOS") for the 2025-2030 term shall be elected. The Board of Directors reports and respectfully submits to the General Meeting of Shareholders ("GMS") for consideration and approval of the structure and number of members of the Board of Directors and Board of Supervisors for the 2025-2030 term and the election of members of the Board of Directors and Board of Supervisors for the 2025-2030 term as follows:

1. **The structure and number of members of the Board of Directors and Board of Supervisors of PGBank for the 2025-2030 term is approved as follows:**
  - Number of members of the Board of Directors: 06 members, including: 02 independent member of the Board of Directors.
  - Number of members of the Board of Supervisors: 05 members.
2. **The list of candidates for election to the Board of Directors and Board of Supervisors of PGBank for the 2025-2030 term is approved as follows:**

*(Brief information of the personnel elected as members of the Board of Directors and Board of Supervisors of PGBank for the 2025-2030 term is attached in Appendix 01 and Appendix 02 attached to this Report)*

2.1 List of candidates for PGBank's Board of Directors for the 2025-2030 term:

No.	Name of candidate	Tentative title
1	Ms. Cao Thi Thuy Nga	Member of the Board of Directors
2	Mr. Nguyen Van Huong	Member of the Board of Directors
3	Mr. Vuong Phuc Chinh	Member of the Board of Directors
4	Mr. Dinh Thanh Nghiep	Member of the Board of Directors
5	Mr. Nguyen Van Ty	Member of the Board of Directors

2.2 List of candidates for PGBank's Board of Directors for the 2025-2030 term:

No.	Name of candidate	Tentative title
1	Mr. Tran Ngoc Dung	Member of the Board of Supervisors
2	Mr. Trinh Manh Hoan	Member of the Board of Supervisors
3	Ms. Ha Hong Mai	Member of the Board of Supervisors
4	Ms. Dinh Thuy Tram	Member of the Board of Supervisors

3. Assign the Board of Directors of PGBank to direct and carry out necessary procedures after the General Meeting of Shareholders completes the election of members of the Board of Directors and members of the Board of Supervisors of PGBank for the 2025 - 2030 term in accordance with the law.

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

**FOR BOARD OF DIRECTORS**

**CHAIRMAN**

**Recipients:**

- As above;
- Save: Archives, Office of the Board of Directors.

**Pham Manh Thang**

**APPENDIX 01: BRIEF INFORMATION ON THE CANDIDATES EXPECTED TO BE  
ELECTED AS MEMBERS OF THE BOARD OF DIRECTORS OF PGBANK FOR  
THE 2025–2030 TERM**

**1. Brief information on Ms. Cao Thi Thuy Nga**

- Year of birth: 1958;
- Bachelor of Finance, Master of Finance-Monetary (Academy of Finance);
- 42 years of experience in finance and banking;
- Position held:
  - + Deputy General Director - MBBank;
  - + Chairman of the Board of Directors - MB Securities Joint Stock Company;
  - + Head of Board of Supervisors - MB Securities Joint Stock Company;
  - + Member of Board of Directors – Viet Business Investment Consultancy And Connection Joint Stock Company.

**2. Brief information on Mr. Nguyen Van Huong**

- Year of birth: 1980;
- Bachelor of Investment Economics, Master of Business Administration;
- 24 years of experience in banking and finance;
- Position held:
  - + Director of Region 04 of Individual Customer Division - VPBank;
  - + Director of Direct Sales Channel, Individual Customer Division - VPBank;
  - + Director of Retail Division - OCB;
  - + Deputy General Director in charge of Retail Banking - OCB
- Current position: General Director of PGBank

**3. Brief information on Mr. Vuong Phuc Chinh**

- Year of birth: 1975;
- Bachelor of Finance and Credit;
- 28 years of experience in finance and credit;
- Position held:
  - + Director of Zone 3 Region 1 - Techcombank;
  - + Regional Director – Sales and Distribution Division (S&D) – VP Bank;
  - + Zone Director - Sales and Distribution Division - SeABank;.

**4. Brief information on Mr. Dinh Thanh Nghiep**

- Year of birth: 1963;
- Bachelor of Foreign Trade Economics, Bachelor of Law, Bachelor of Advanced Politics;

- 37 years of experience in finance and credit;
- Position held:
  - + Deputy Director of Calimex Company;
  - + Vice Chairman of the Board of Directors and Director of Dong Thap Muoi Rural Commercial Joint Stock Bank (Now Prosperity and Growth Commercial Joint Stock Bank);
  - + Member of Board of Directors and Deputy General Director of PGBank.
- Current position: Member of PGBank Board of Directors for the 2020-2025 term.

**5. Brief information on Mr. Nguyen Van Ty**

- Year of birth: 1957;
- Bachelor of Labor Economics (National Economics University);
- 25 years of experience in finance and accounting;
- Position held:
  - + Chief Accountant of 2T Corporation;
  - + Chief Accountant of Thanh Cong 5 Joint Stock Company;
- Current position:
  - + Expert of Investment Board of Thanh Cong Group Joint Stock Company;
  - + Deputy Chairman of Board of Directors of Mai Dong Joint Stock Company.

**APPENDIX 02: BRIEF INFORMATION ON THE CANDIDATES EXPECTED TO BE  
ELECTED AS MEMBERS OF THE BOARD OF SUPERVISORS OF PGBANK FOR  
THE 2025–2030 TERM**

**1. Brief information on Mr. Tran Ngoc Dung**

- Year of birth: 1966;
- Bachelor of Finance and Credit; Bachelor of Business Administration; Bachelor of Law.
- 22 years of experience in finance and banking;
- Position held:
  - + Director of Nha Trang Branch - Nam A Commercial Joint Stock Bank
  - + Director of Risk Management Division - Nam A Commercial Joint Stock Bank;
  - + Member of Board of Supervisors - Nam A Commercial Joint Stock Bank;
  - + Head of Board of Supervisors - Vietnam Export Import Commercial Joint Stock Bank;
  - + Head of PGBank Board of Supervisors for the 2020-2025 term.

**2. Brief information on Mr. Trinh Manh Hoan**

- Year of birth: 1957;
- Bachelor of Budget;
- 35 years of experience in finance and auditing;
- Position held:
  - + Chief Accountant of Thai Nguyen Iron and Steel Enterprise Union;
  - + Chief Auditor, Major I - State Audit;
  - + Member of PGBank's Board of Supervisors for the 2020-2025 term.

**3. Brief information on Ms. Ha Hong Mai**

- Year of birth: 1981;
- Bachelor of Economics;
- 23 years of experience in finance and auditing;
- Position held:
  - + PGBank Internal Auditor;
  - + Deputy Head of Internal Audit Department, PGBank;
  - + Head of Internal Audit Department of PGBank
  - + Member of PGBank's Board of Supervisors for the 2020-2025 term.

**4. Brief information on Ms. Dinh Thuy Tram**

- Year of birth: 1981;

- Bachelor of Business Accounting; Bachelor of Law; Master of Finance and Banking;  
Senior in Political Theory
- 22 years of experience in banking and finance;
- Position held:
  - + Branch Supervision Inspector/Inspector - State Bank of Vinh Phuc province;
  - + Deputy Chief Inspector - State Bank of Vietnam, Vinh Phuc Province Branch
  - + Deputy Head of Internal Audit Department, PGBank.



PROSPERITY AND GROWTH COMMERCIAL JOINT STOCK BANK (PGBANK)  
THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025

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Ninh Binh, April 24, 2025

VOTING CARD

1234

SHAREHOLDER/ AUTHORIZED REPRESENTATIVE: \_\_\_\_\_

NUMBER OF SHARES OWNED	:	_____	NUMBER OF SHARES	:	_____
			AUTHORIZED		
TOTAL NUMBER OF SHARES ENTITLED TO	:	_____	RATIO /CHARTER CAPITAL	:	_____ %
VOTE					

Notes: The card is used to vote on the issues not included in the Voting Ballot at the General Meeting of Shareholders.

PROSPERITY AND GROWTH COMMERCIAL JOINT STOCK BANK (PGBANK)

THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025

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Ninh Binh, April 24, 2025

VOTING BALLOT FOR ELECTION OF MEMBERS OF THE BOARD OF DIRECTORS

TENURE 2025-2030

7861



Shareholder name/ Authorized representative: \_\_\_\_\_

Number of shares owned: \_\_\_\_\_

Number of shares authorized: \_\_\_\_\_

Total number of shares entitled to vote: \_\_\_\_\_

Ratio/Charter capital: \_\_\_\_\_%

Total voting ballots:

$$\begin{array}{ccccc} \underline{\hspace{2cm}} & & \times & & \underline{\hspace{2cm}} & & = & & \underline{\hspace{2cm}} \\ \text{(Total number of shares entitled to vote)} & & & & \text{(Number of members to be voted)} & & & & \text{(Total voting ballots)} \end{array}$$

Voting ballots for candidates<sup>i</sup>:

No.	Full name of candidate	Proposed titles of the candidate in the Board of Directors	Number of voting ballots
1			
2			
3			
4			
5			
.....			

Shareholder/Authorized Representative  
(Signature and full name)

<sup>i</sup> Shareholders/Authorized representatives who vote for a candidate shall fill in the specific number of voting ballots for that candidate and have the right to put all the total voting ballots for 01 candidate or divide total number of voting ballots for some or all candidates. Total number of voting ballots for all candidates must be less than or equal to the Total number of voting ballots.



PROSPERITY AND GROWTH COMMERCIAL JOINT STOCK BANK (PGBANK)

THE ANNUAL GENERAL MEETING OF SHAREHOLDERS 2025

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Ninh Binh, April 24, 2025

VOTING BALLOT FOR ELECTION OF MEMBERS OF THE BOARD OF SUPERVISORS  
TENURE 2025-2030

7861



Shareholder name/ Authorized representative: \_\_\_\_\_

Number of shares owned: \_\_\_\_\_

Number of shares authorized: \_\_\_\_\_

Total number of shares entitled to vote: \_\_\_\_\_

Ratio/Charter capital: \_\_\_\_\_%

Total voting ballots:

$$\begin{array}{ccccc} \underline{\hspace{2cm}} & & \times & & \underline{\hspace{2cm}} & & = & & \underline{\hspace{2cm}} \\ \text{(Total number of shares entitled to vote)} & & & & \text{(Number of members to be voted)} & & & & \text{(Total voting ballots)} \end{array}$$

Voting ballots for candidates<sup>1</sup>:

No.	Full name of candidate	Proposed titles of the candidate in the Board of Supervisors	Number of voting ballots
1			
2			
3			
4			
.....			

Shareholder/Authorized Representative  
(Signature and full name)

<sup>1</sup> Shareholders/Authorized representatives who vote for a candidate shall fill in the specific number of voting ballots for that candidate and have the right to put all the total voting ballots for 01 candidate or divide total number of voting ballots for some or all candidates. Total number of voting ballots for all candidates must be less than or equal to the Total number of voting ballots.