

## REPORT

### 2024 Operation and 2025 Business orientation of the Board of Directors

#### I. Business performance in 2024

##### 1. Personnel of the Board of Directors (BOD) in 2024

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

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

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

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

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

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

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

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

- Profit before tax: VND 99,34 billion, reaching 27% of the 2024 planned targets.

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

- Selecting an auditing company to review the 2025 semi-annual financial reports, to audit the 2025 financial reports and SAIGONBANK's internal control: The BOD





chose MOORE AISC Auditing and Informatics Services Company Limited for SAIGONBANK's 2025 financial reports, upon the 2024 AGM Resolutions.

- Remaining fund appropriation: As per Resolution No.1772/SGB-DHDCD-NQ dated April 25, 2024, the GMS approved the 2023 profit distribution plan and assigned the BOD to decide on reserve appropriation. Based on the determined GMS decision, the BOD issued Resolution No.4256/SGB-HDQT-NQ dated September 20, 2024 approving the 2023 profit distribution plan after charter capital supplementary reserve and financial reserve as below:

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

+ Fund of bonus: VND 20.000.000.000

+ Fund of welfare and other benefit: VND 37.552.150.714

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

- Approving SAIGONBANK's development strategy for the period until 2025, visioned to 2030 (including a comprehensive financial strategy according to Decision No.34/QD-NHNN dated 07/01/2019 and No.1309/QD-NHNN dated July 24, 2020 of the SBV: Based on the determined GMS decision, the BOD issued the Resolution No.3621/SGB-HDQT-NQ dated August 14, 2024 approving SAIGONBANK's development strategy for the period until 2025 (including a comprehensive financial strategy), per Decision No.34/QD-NHNN dated January 7, 2019 and No.1309/QD-NHNN dated July 24, 2020 of SBV.

- Others: not occurred.

#### **4. Evaluation of the outcomes of governance activities:**

- The BOD managed the business in close alignment with the Government and SBV's directives from time to time. Business scale grew in line with SBV's targets, ensuring safe and sustainable growth that is timely responsive to the economic influences and real scenarios.

- The year 2024 continued to be full of challenges for banking in general and for SAIGONBANK in particular. The BOD directed the BOM to manage SAIGONBANK's business to ensure its security, stability, strict compliance with the law and SBV's regulations (especially policies on limits, adequacy ratios...).

- Strictly complying with regulations, and the SBV's directives regarding credit granting activities; growing credit based on solid adherence to the 2024 targets set by SBV; following the regulatory safety ratios and credit limits.

- Prudently controlling and restricting credit grant to sectors of potential risk exposures; prioritizing fund for manufacturing, trading, industries of privilege, momentum of economic development upon the Government and SBV's directives on the basis of secured lending capital and legal compliance; supporting social economic recovery and development.

- Implementing the Government and SBV's directives:

+ Directive No.01/CT-NHNN dated January 15, 2024 of SBV on organizing and executing the 2024 key missions of banking sector.

+ Directive No.02/CT-NHNN dated January 15, 2024 of SBV on promoting digital transformation and assurance of information security and safety in banking activities.

+ Deploying, reviewing, consolidating the internal policies and procedures of SAIGONBANK, to make sure its compliance with SBV, Law of credit institution No.32/2024/QH15, new circulars and other regulations.



- Over the course of 2024, the BOD directed, monitored, and assessed the BOM's execution of the 2024 AGM Resolutions. The BOD timely revised, updated, supplemented regulations per prevailing law. In 2024, the BOD issued certain Resolutions, Decisions to drive SAIGONBANK's business including: allocating, appointing, reappointing, dismissing managerial officers; consolidating the personnel for Board Risk Committee; issuing SAIGONBANK's development; issuing regulations on lending, guarantee, asset categorization and liquidity; issuing internal credit rating regulations.

- Completing SAIGONBANK's Restructuring Plan associated with bad debt settlement for the period 2021 - 2025.

- Completing the Share Issuance Plan (10%), making charter capital increase from VND 3.080 billion to VND 3.387,99 billion.

- Improving risk management quality through the execution of Circular No.41/2016/TT-NHNN dated December 30, 2016 (amended, supplemented), Circular No.13/2018/TT-NHNN dated May 18, 2018 by the SBV.

- Overseeing the BOM's operation to be done by the BOD as defined in SAIGONBANK's Charter. The BOD instructed the General Director through their Resolutions, within the scope of the BOD's authorization.

## **II. Business orientation in 2025**

Executive agenda to fulfil the 2025 business plan:

### **1. Business operation**

- Efficiently deploying SAIGONBANK's restructuring loan proposal together with bad debt handling for the period 2021 - 2025.

- Growing credit in line with the capacity of risk management, ability to attract funds, assuring the liquidity; strictly complying with the credit room allowed by the SBV.

- Synchronously deploying the remedies for debt collection to raise the Bank's income; controlling NPL ratio on the balance sheet, NPL items sold to VAMC and loan items already under categorization per SBV's regulations.

- Intensively fostering informatics technology employment in banking and cashless payment tendency oriented by the Government, SBV; Enhancing the assurance of security and safe banking; taking steps to digitally transform the bank business according to an appropriate roadmap.

### **2. Executive management activities**

- Renovating solutions of instructing and managing the business, concentrating on a business scale growth that must be secure, efficient, compliant with regulatory adequacy ratios.

- Submitting to competent authorities for approving the Share Issuance Plan (10%) to increase charter capital from VND 3.387,99 billion to VND 3.726,79 billion after approval of the 2025 AGM.

- Continuing to improve the quality of risk management on the basis of Circular No.41/2016/TT-NHNN dated December 30, 2016 (amended, supplemented) and Circular No.13/2018/TT-NHNN dated May 18, 2018 by the SBV towards Basel III standards.

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



- Strengthening internal inspection and audit; monitoring the outcomes of handling post-audit and supervision recommendations; and remotely monitoring individual branches of SAIGONBANK.

- Strictly observing the laws and SBV's regulations.

- Continuing multiple activities of public relation, brand promotion, social cultural and welfare activities.

- Proactively following up with monetary markets to apply appropriate measures oriented by the Government and SBV.

The aforementioned narration is 2024 business performance report and 2025 proposal of SAIGONBANK that has been submitted by the BOD to GMS for due consideration and opinion. In the light of that, the executive responsibility of controlling and management shall be improved on an ongoing basis, enabling the execution of the GMS Resolutions, contributing to the better secured, efficient and sustainable development of SAIGONBANK.

Regards./.



**Recipients:**

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

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



**VU QUANG LAM**