

REPORT TO THE ANNUAL GENNERAL MEETING OF SHAREHOLDERS

(Regarding BIDV's charter capital increase plan in 2025)

Implementing the vision of developing Joint Stock Commercial Bank for Investment and Development of Vietnam (BIDV) to become a leading financial institution in Southeast Asia and continue to enhance BIDV's position and role by increasing its financial and capital capacity for business activities and risk management, the Board of Directors ("BOD") would like to submit to the General Meeting of Shareholders in 2025 the plan of charter capital increase as follows:

I. Results of increasing charter capital

- Charter capital as of 31/12/2024: 68,975,152,680,000 VND
- Charter capital as of March 31, 2025 (after increasing charter capital by VND 1,238,466,490,000 according to the private placement plan approved in Resolution No. 31/NQ-BIDV dated January 7, 2025): VND 70,213,619,170,000.

II. Plan for issuance of shares to increase charter capital

1. Expected increase in charter capital

- Maximum expected increase in charter capital: 21,656,140,470,000 VND, of which:
 - + Capital increase from charter capital supplementary reserve fund: VND 4,985,166,960,000;
 - + Capital increase from dividend payment in 2023 in shares: VND 13,972,510,210,000;
 - + Capital increase from the issuance of additional shares to investors in the form of private placement or public offering: up to VND 2,698,463,300,000;
- Expected charter capital after issuance: VND 91,869,759,640,000 (an increase of 30.8% compared to the charter capital as of March 31, 2025).

2. Information on additional shares

- Type of shares: common stock;
- Par value: VND 10,000 per share;
- Maximum expected number of shares to be issued: 2,165,614,047 shares, in which:
 - + Issuance of shares to increase capital from charter capital supplementary reserve fund: 498,516,696 shares;
 - + Issue of shares to pay dividends from undistributed profits in 2023: 1,397,251,021 shares;



+ Additional issuance to investors in the form of private placement or public offering: 269,846,330 shares.

3. Source for charter capital increase

- Charter capital supplementary reserve fund: VND 4,985,166,960,000;
- Retained earnings of 2023 after appropriation to funds: VND 13,972,510,210,000;
- Additional shares to investors in the form of private placement of shares or public offering of shares: up to VND 2,698,463,300,000.

4. Expected issuance

4.1. Issuance of shares to increase capital from charter capital supplementary reserve fund

- Type of share: common stock;
- Par value: VND 10,000 per share;
- Expected number of shares to be issued: 498,516,696 shares;
- Expected total issuance value (by par value): VND 4,985,166,960,000;
- Expected execution rate: 7.1% of the number of outstanding shares as 31/3/2025.
- Issuance subjects: BIDV's shareholders whose name in the shareholder monitoring book at the time of finalizing the list.
- Implementation time: Expected in 2024-2026, the General Meeting of Shareholders authorizes the Board of Directors to decide the specific time after being approved by the Authorities.

4.2. Shares issued to pay dividend of 2023

- Type of share: common stock;
- Par value: VND 10,000 per share;
- Expected number of shares to be issued: 1,397,251,021 shares;
- Expected total issuance value (by par value): VND 13,972,510,210,000;
- Expected execution rate: 19.9% of the number of outstanding shares as 31/3/2025.

- Issuance subjects: BIDV's shareholders whose name in the shareholder monitoring book at the time of finalizing the list.

- Implementation time: Expected in 2025-2026, the General Meeting of Shareholders authorizes the Board of Directors to decide the specific time after being approved by the Authorities.

4.3. Additional shares issued in the form of private placement or public offering

- Purpose of offering: Supplementing capital sources for business activities, strengthening the bank's financial capacity
- Type of share: common stock;

- Par value: VND 10,000 per share;
- Expected number of shares to be issued: 269,846,330 shares;
- Expected total issuance value (by par value): VND 2,698,463,300,000;
- Expected execution rate: Expected ~ 3.84% of the number of outstanding shares as at 31/03/2025. The General Meeting of Shareholders authorizes the Board of Directors to adjust the number and rate of shares to be issued after being approved by the authorities.

- Issuance subjects:

+ Private placement: offering to investors that meet the criteria of domestic and foreign institutional investors with strong financial capacity, which may include one or several existing shareholders of BIDV. The General Meeting of Shareholders authorizes the Board of Directors to decide on professional stock investors that meet the above criteria and number of shares allocated for each investor.

+ Public offering: domestic and foreign individual investors and organizations in need.

- Offering method:

+ Private placement: Offerubg additional shares through private placement.

+ Public offering: Offering additional shares to the public through public auction at the Ho Chi Minh City Stock Exchange (HOSE).

- Number of shares offered to investors: The General Meeting of Shareholders authorizes and assigns the Board of Directors to decide on the specific number of shares offered to each investor according to the approval of the competent state

- Basis for issuance pricing:

+ Private placement: The General Meeting of Shareholders authorizes the Board of Directors to determine the offering price for the private placement of shares to investors based on the principle of price determination in compliance with legal regulations and subject to the approval of the competent state authority.

+ Public offering: To ensure compliance with legal regulations on determining the starting price and in accordance with the market price fluctuations of BID shares at the time of the auction, the General Meeting of Shareholders authorizes the Board of Directors to decide on the starting price in accordance with legal regulations and the actual market situation.

- Transfer constraints:

+ Private placement: The number of shares offered for private placement will be restricted from transfer for 03 years for strategic investors and 01 year for professional securities investors from the date of completion of the offering, except in the case of transfer between professional securities investors or to comply with court judgments and decisions that have come into legal effect, arbitration decisions or inheritance according to the provisions of law.

+ Public offering: shares are successfully sold to investors through public auction without transfer restrictions.



- Implementation time: Expected in 2025-2026, the General Meeting of Shareholders authorizes the Board of Directors to decide the specific time after being approved by the Authorities.

- The plan ensure that shares issued satisfies the foreign ownership ratio: The General Meeting of Shareholders authorizes the Board of Directors to ensure share issuance satisfies the foreign ownership ratio.

5. Registration for depository and listing of additional shares issued

All share successfully issued according to the approved plan will be registered for depository at the Vietnam Security Depository Center (VSD) upon the end of issuance periods.

BOD commits to additional listing of all additional shares issued in Ho Chi Minh Stock Exchange in accordance with the provisions of law.

6. Implementation plan

Issuance time: The General Meeting of Shareholders authorizes the Board of Directors to decide on the specific issuance time after receiving approval from Authorities on the issuance plan.

Time of finalizing the list (last registration date): The General Meeting of Shareholders authorizes the Board of Directors to decide the time after receiving approval Authorities on the issuance plan.

Procedures for determining the list of stock owners on the last registration date and allocating additional shares to shareholders according to the list: follow the process of exercising rights of the Vietnam Securities Depository Center.

7. Other principles

Compliance with regulations on investment in the financial sector: The BOD commits to ensuring that shareholders and investors who exercise the right to buy additional shares issued by BIDV comply with regulations.

Organizations and individuals who pursue BIDV shares are responsible for complying with the provisions of law, the State Bank of Vietnam, charter of BIDV and regulations on the Plan for charter capital increase.

II. Plan of using additional charter capital

The additional charter capital is expected to be used entirely for business activities, distributed to BIDV's business areas with reasonable proportion to ensure effective and safe use of capital and maximize benefits for shareholders.

The progress of using the additional charter capital is appropriate according to the schedule of charter capital increase and the market situation which is considered and determined by the Board of Directors (or authorized by the Board of Directors) in accordance with the regulations of law and of BIDV.

Additional charter capital is used for activities:

- **Credit activities:** Focus on restructuring credit portfolios, giving loans to businesses with strong financial situation, effective and safe business operations, and good business plans/projects; priority to small and medium enterprises (SMEs), FDI enterprises and promoting the growth of green credit and retail credit.

- **Investment activities:** Continue to invest effectively in the market; invest and trade valuable papers, invest in units according to the roadmap.

- **Invest in facilities, technology, develop new products and services, digital banking:** Strengthen the application of information technology in activities to bring the best utilities and services to meet customer needs, devote resources to develop products and services for the affluent customer segment, increase the proportion of income from services in total income; improve management capacity, risk management; upgrade technical infrastructure, technology...

- **Improve the competitiveness of the business network:** Expand and improve the quality of modern distribution channels in domestic, regional and international market in association with the development of BIDV's brand.

III. Rights and obligations of investors receiving additional shares

- Organizations and individuals receiving shares to increase BIDV's charter capital are responsible for complying with the provisions of law, the regulations of the State Bank of Vietnam, BIDV's charter and the Plan to increase charter capital.

- Organizations and individuals receiving shares to increase BIDV's charter capital are treated equally and enjoy shareholder rights in accordance with the law.

IV. Submission for approval of General Meeting of Shareholders

1. Approve the plan to increase charter capital, the plan to use additional capital as above.

2. Authorize the BOD of BIDV to:

- Decide the adjustment of charter capital increase plan, including shares issuance plan according to the approval of authorities (issue price, number of issued shares, subjects of issuance, time of offering...); and the usage plan of increased capital after issuing shares to effectively implement the capital increase plan in accordance with BIDV's business operation, BIDV's charter, the regulations, and ensure the right of BIDV's shareholders;

- Decide on the timing of the use of the proceeds and proactively allocate the proceeds to each activity in accordance with the credit growth situation of the market and BIDV's operational status, in compliance with Clause 2, Article 9 of Decree No. 155/2020/ND-CP detailing the implementation of a number of articles of the Law on Securities and its amendments and supplements from time to time, and report to the nearest General Meeting of Shareholders.

- Decide on the issuance roadmap for each offering in accordance with the Bank's capital needs and on the basis of approval of competent agencies if necessary

- For the plan for private placement of shares and/or public offering of shares: based on the actual situation, decide on the volume of official offering to investors, complete the detailed offering plan, carry out reporting procedures, seek approval of competent state agencies; review and revise the Plan at the request of competent state agencies in accordance with the provisions of law; decide on the reserve price based on the principle of determining the reserve price and the actual situation of the market



in order to make the auction successful and maximize the value of capital raised from the offering; decide on the plan to ensure that the offering of shares meets the foreign ownership ratio.

- For the plan to issue shares to the public: The General Meeting of Shareholders authorizes the Board of Directors to develop a plan to handle shares that are not fully distributed in the issuance to ensure compliance with the law.


- Upon the approval of the authorities on the share issuance plan, decide the contents of implementing the share issuance plan in accordance with the regulations, ensuring the overall benefits of BIDV and the shareholders;

- Carry out necessary capital increase procedures in accordance with the regulations, including applying for permission from competent authorities; implementing procedures for changing business registration, charter capital and procedures for the listing additional shares and other procedures in accordance with regulations;

- Amend the Charter of BIDV regarding the increase of charter capital according to the actual issuance results;

- Decide other related issues to implement the plan to increase charter capital in 2025 as approved by the Annual General Meeting of Shareholders and the competent authorities.

Respectfully report to the AGM for approval!

**On behalf of BOD
Chairman** 

(Signed)

Phan Đức Tu