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**BOARD OF DIRECTORS' REPORT
 ON BANK OPERATION MANAGEMENT RESULTS IN 2024
 AND MANAGEMENT ORIENTATION FOR 2025**

To: THE 2025 ANNUAL GENERAL MEETING OF SHAREHOLDERS

The global economy in 2024 has had positive transformations and gradually regained its recovery momentum. However, the growth rate remained slow due to the impact of prolonged geopolitical tensions. In this context, despite facing numerous challenges and fluctuations, with the flexible and decisive policy administration of the Government, Vietnam still achieved the growth target set by the National Assembly and continued to be a bright economic spot in the region and globally.

Facing a volatile business environment, the Board of Directors (BOD) has always promptly grasped market developments, proactively adjusted business strategies, and regulated growth rates to ensure safety, sustainability, and efficiency in all business activities of Nam A Commercial Joint Stock Bank (Nam A Bank). On that basis, the BOD respectfully reports to the 2025 Annual General Meeting of Shareholders (AGM) the following contents:

I. ASSESSMENT OF BANK OPERATION MANAGEMENT RESULTS IN 2024:

1. Results of implementing the Resolutions of the 2024 AGM:

1.1. Regarding business performance results:

- Total assets reached 245,129 billion dong, achieving 106% of the 2024 plan.
- Mobilizing capital from customers and issuance of valuable papers reached 178,341 billion dong, achieving 100% of the 2024 plan.
- Outstanding credit balance reached 167,738 billion dong, achieving 105% of the 2024 plan.
- Consolidated profit before tax reached 4,545 billion dong, achieving 114% of the 2024 plan.
- Successfully achieved the credit quality control target set for 2024.

1.2. Regarding the increase of charter capital:

- Implementing the Resolution of the 2024 AGM, Nam A Bank had completed the increase of charter capital from 10,580,416,150,000 dong (*Ten trillion, five hundred eighty billion, four hundred sixteen million, one hundred fifty thousand dong*) to 13,725,505,530,000 dong (*Thirteen trillion, seven hundred twenty-five billion, five hundred five million, five hundred thirty thousand dong*) through:

- + Issuing 264,508,938 shares to increase share capital from owner's equity, corresponding to an increase in charter capital of 2,645,089,380,000 dong (*Two trillion, six hundred forty-five billion, eighty nine million, three hundred eighty thousand dong*). Nam A Bank had received Official Dispatch No. 4632/UBCK-QLCB dated July 25th, 2024 from the State Securities Commission regarding the report on the results of the shares issuance to increase share capital from owner's equity; and
- + Issuing 50,000,000 shares under the employee stock option program, corresponding to an increase in charter capital of 500,000,000,000 dong (five hundred billion dong). Nam A Bank had received Official Dispatch No. 7015/UBCK-QLCB dated October 17th, 2024 from the State Securities Commission regarding the report on the results of the shares issuance under the employee stock option program.
- Currently, Nam A Bank is in the process of carrying out procedures to amend the charter capital limit in the Establishment and Operation License with the State Bank of Vietnam (SBV) in accordance with the current legal procedures and regulations.

1.3. Regarding amendments and supplements to the Charter of Nam A Bank:

- The BOD has completed the amendments and supplements to the Charter in accordance with the actual situation and legal regulations and has reported to the SBV as prescribed.

1.4. Regarding the operational network:

- In 2024, Nam A Bank completed the opening and operation of 05 branches and 03 transaction offices approved by the SBV according to the Official Dispatch No. 9586/NHNN-TTGSNH and Official Dispatch No. 9587/NHNN-TTGSNH dated December 15th, 2023, increasing the total number of business locations nationwide to 262, including 148 traditional business locations and 114 modern business locations (Onebank).
- Regarding the development of the business network into the international market, in the context of an unfavorable macroeconomic environment, and the need for more time to carefully research and analyze the economic, cultural, and legal characteristics of each country, the development of the business network into the international market has not yet been implemented in 2024. The BOD will continue to submit this content to the AGM for implementation in 2025.

1.5. Regarding the operating budget and remuneration of the BOD and the Board of Supervisors:

- Overcoming the unfavorable impacts of the macroeconomic environment, Nam A Bank still ensures safety, sustainability, and efficiency in business operations. This result demonstrates that the BOD and the Board of Supervisors (BOS) have fulfilled their responsibilities assigned by the AGM. The operating budget and remuneration of the BOD and the BOS in 2024 are within the plan approved by the AGM and are used reasonably and effectively.

1.6. Regarding capital contribution and share purchase:

- In 2024, due to the influence of some objective reasons from the market, the BOD assessed that it was not appropriate to implement capital contribution and share purchase. The BOD will continue to submit these contents to the 2025 AGM to have a basis for implementation under appropriately conditions.

1.7. Regarding the selection of an independent audit firm:

- Based on the list of companies approved by the 2024 AGM, the BOD decided to select Ernst & Young Vietnam Co., Ltd. to audit the financial statements and the operation of the internal control system at Nam A Bank in 2025.

1.8. Regarding the private placement of convertible bonds:

- The domestic bond market in 2024 has slightly improved, but there are still many difficulties for businesses due to declining solvency and limited capital absorption. Therefore, the BOD proactively postponed the private placement of convertible bonds as planned and will continue to submit this convertible bond issuance to the 2025 AGM to have a basis for implementation under appropriately conditions.

1.9. Regarding the listing of publicly issued bonds and participation in the restructuring of people's credit funds:

- In 2024, due to some objective reasons, Nam A Bank did not implement the issuance of public bonds and participate in the restructuring of people's credit funds. The BOD will continue to submit these contents to the 2025 AGM to have a basis for implementation under appropriately conditions.

1.10. Regarding the implementation of the "Restructuring Plan associated with bad debt settlement of Nam A Bank for the 2021 – 2025 period":

- Nam A Bank has completed the development and approval of the "Restructuring Plan associated with bad debt settlement of Nam A Bank for the 2021 – 2025 period" and has reported to the SBV for approval before implementation as regulated.
- Nam A Bank continues to implement the approved Plan in accordance with the guidelines and orientations of the Government and the SBV.

2. Bank operation management results in 2024:

With the function of strategic orientation and operational supervision, the BOD regularly organizes exchanges and discussions among its members on basis of the principles of centralization and democracy to make appropriate decisions for the operational situation in each period. In 2024, through meetings (regularly and extraordinary) or obtaining opinions in writing, the BOD issued 284 Resolutions, 161 Decisions, and 115 Official Dispatches related to various fields to provide strategies and business policy directions for the Board of Management (BOM). Some of the main guidelines and orientations of the BOD in 2024 include:

- Absolutely comply with the orientations, guidelines, and policies of the Party and the State; ensure that all business activities of Nam A Bank are conducted in

- accordance with current legal regulations; comply with the limits and safety ratios in banking operations as prescribed by the SBV.
- Effectively implement strategic key projects of Nam A Bank, especially projects related to the "digitalization" and "greenification" guidelines directed by the Government and the SBV recently.
 - Promote the position as the best risk management bank in Vietnam by strengthening the early warning and checkpoint system, improving the quality of remote monitoring activities, and implementing international risk management standards such as enhanced Basel II and Basel III.
 - Standardize the financial and management accounting information system to create a solid foundation for making business decisions combined with preparing financial statements in accordance with international standards (IFRS9).
 - Information technology continues to be invested in and upgraded to ensure the system always operates stably, smoothly, safely, and securely according to current regulations, along with applying technology to management and administration to affirm the distinction of Nam A Bank reputation.
 - Comprehensive and synchronous human resource management based on consolidating core values of corporate culture; aiming to build a human resource that converges the values of pioneering, integrity, and politeness, specifically:
 - + Recruitment focuses on both professional quality and ethics. As of December 31st, 2024, the Bank has 5,306 employees (including AMC Co. Ltd), who are considered by the market to be dynamic and capable.
 - + Internal training activities are regularly organized with diverse content and forms to improve professional expertise, management and administration capacity, as well as to enhance team spirit among employees.
 - + Salary, bonus, and benefit policies are also reviewed and adjusted to be linked to the business performance of the entire bank as well as the productivity and contribution of employees through the KPIs evaluation criteria.
 - Proactively review, arrange, and adjust the functions and tasks of units within the entire system to ensure efficiency and streamlining in operations as well as alignment with the development orientation of Nam A Bank in each period.
 - Focus on reviewing, adjusting, and supplementing the system of policies, regulations, rules, and internal processes to comply with current legal regulations and the business strategy of Nam A Bank.
 - Brand promotion and communication efforts have been standardized and unified to enhance Nam A Bank's standing and prestige within the industry and ensure increased public recognition of Nam A Bank's image and reputation.
 - Supported numerous social welfare programs and community initiatives, including:
 - (i) donating compassionate houses, solidarity houses, and cultural center and

constructing infrastructure and bridges in various provinces and cities nationwide;
(ii) contributing to funds for the impoverished, scholarship funds, funds for disabled children and providing aid to those affected by Typhoon Yagi.

3. Activities of the Committees under the BOD in 2024:

3.1 Personnel Committee:

The Personnel Committee, comprising of 05 members, effectively advised the BOD on matters related to organizational structure, functions, duties, and human resource management within the BOD's authority, with significant activities in 2024, specifically:

- Advised on Nam A Bank's organizational and operational model, providing a basis for adjusting the organizational structure to suit business conditions and needs in each period.
- Advised on the planning and monitoring of the implementation of Nam A Bank's human resource management strategy in accordance with the Bank's business development orientation.
- Reviewed and evaluated the suitability and effectiveness of the Bank's current human resource management policies, regulations, procedures, and processes, and proposed appropriate and timely improvements.
- Advised the BOD on the recruitment, appointment, reappointment, and dismissal of management personnel of the Bank and its subsidiary within the BOD's authority, based on recommendations from the Chief Executive Officer (CEO) and/or the subsidiary's Chairman.

3.2 Risk Management Committee:

The Risk Management Committee, comprising of 06 members, assists the BOD in overseeing and managing risks during operations, ensuring compliance with legal regulations, and serving the needs of safe and efficient business operations. In 2024, the Risk Management Committee effectively fulfilled its functions and responsibilities as prescribed, focusing on the following key matters:

- Directed monitoring of information technology risks, cyberspace risks, digital risks, and fraud risks to ensure the sustainable and secure development of digital banking.
- Advised the BOD on developing a risk management framework at Nam A Bank that integrates environmental, social, and governance (ESG) risk management factors. Oversaw and directed the development of the ESG risk management policies at Nam A Bank.
- Reviewed and evaluated the suitability and effectiveness of Nam A Bank's risk management policies, regulations, procedures, and processes, and recommended timely and appropriate adjustments to the BOD.
- Analyzed and provided warnings about the Bank's safety in the face of potential risks and proposed preventive measures for these risks in both the short and long term.

4. Evaluation of the effectiveness of the BOD's members:

Having earned the trust of the AGM, the BOD has consistently striven in management and administration, promptly making market-appropriate decisions to ensure the sustainable, stable, and efficient operation of Nam A Bank, contributing value to shareholders, customers, and society. Moreover, the BOD's members have demonstrated a strong commitment to realizing strategic objectives, positioning Nam A Bank among the leading commercial banks in Vietnam. The BOD wishes to continue receiving support and cooperation from shareholders in order to successfully fulfill its assigned mission and tasks during the remaining years.

The effectiveness of the Board of Directors members in 2024 is assessed as follows:

- All members of Nam A Bank's BOD has met the standards, qualifications, and professional expertise stipulated by current law; they are also individuals of respectable morality, ensuring no negative issues arise that could damage the reputation of the BOD in particular, or Nam A Bank in general.
- With solid professional qualifications and extensive experience in financing and banking, all the BOD's members perform their duties with a high sense of responsibility, legal compliance and successfully complete the tasks entrusted by shareholders through the implementation of the resolutions of the AGM.

5. Evaluation of the effectiveness of the BOM members:

In 2024, the BOM demonstrated a high sense of responsibility and decisiveness in implementing the business plan and effectively developing the strategic direction set by the BOD. This contributed to Nam A Bank's impressive business results, achieving all key financial targets assigned by the AGM. Concurrently, risk management and bad debt resolution were consistently prioritized and implemented, achieving positive results.

The performance of the BOM members in 2024 is assessed as follows:

- Successfully completed the duties and responsibilities of the CEO and BOM's members as prescribed by law and the Charter of Nam A Bank.
- Fully implemented the directions and instructions of the BOD through Resolutions, Decisions, and regularly and extraordinary meetings between the BOD and the BOM.

6. Evaluation results of the Independent Board Member on the activities of the BOD and the activities of Independent Board Member:

6.1 Independent Board Member's assessment of the Board of Directors' activities:

In 2024, the BOD operated actively and effectively with a high sense of responsibility; proactively and promptly issued Resolutions and Decisions to effectively implement the Resolutions of the 2024 AGM, specifically:

- The BOD's members actively and diligently performed their assigned tasks with care and honesty, contributing to the successful business results of Nam A Bank in 2024.

- Fully attended meetings of the BOD, assigned Committees/Councils; unanimously approved the issues raised at the meeting/through written opinions.
- Completed the duties, powers, and roles of the positions held as assigned by the BOD.
- Reported and disclosed information fully and promptly on matters as prescribed by law and the Charter of Nam A Bank.

6.2 Activities of the Independent Board Member:

- Associate with other BOD's members, directed and supervised the BOM in implementing the 2024 business plan approved by the AGM.
- Successfully fulfilled the roles, duties, and authorities of an Independent Board Member as prescribed by law, the Charter of Nam A Bank, and assigned by the BOD.
- Participated in meetings of the Risk Management Committee and made recommendations on risk management policies and monitored the implementation of risk prevention measures of Nam A Bank.

II. MANAGEMENT ORIENTATION FOR 2025:

1. Operational direction of the Board of Directors in 2025:

- Focus resources on standardizing the product and service portfolio in accordance with the market demands, linked to the digitalization and greenification strategy, aiming to affirm the sustainability, professionalism, and distinction of the Nam A Bank reputation.
- Participate responsibly in the international financial market by establishing business locations and representative offices in leading global standard markets; strengthen cooperative relationships with global financial institutions to maximize business opportunities from new potential customers, especially overseas Vietnamese and foreign-invested enterprises.
- Invest in, upgrade, and develop information technology infrastructure to ensure the pioneering, readiness, and seamless operation of the system to effectively meet the features of products and services deployed on the digital platform as well as to improve labor productivity in the operation and business processes of the Units.
- Research and deploy financial supermarket tools to ensure the successful implementation of a comprehensive financial model for a sustainable and stable customer base with diverse needs for banking and financial services.
- Form strategic alliances between Nam A Bank and financial, insurance, securities, real estate, and retail chain companies to expand the market and exploit customers within the same ecosystem to provide products and services.
- Continue upgrading and improving the traditional distribution channel system towards standardization and high standards, combine with standardizing the modern distribution

channel system towards convenience and safety to serve all individual and corporate customer segments.

- Manage credit operations with a focus on centralization and safety, digitize approval and disbursement processes; consolidate the system of policies, solutions for debt control and handling; strengthen and enhance risk management capacity of the internal control system.
- Restructure and reorganize the apparatus towards streamlining and professionalism. Clearly separate the functions and tasks of each department, reduce intermediary layers, and increase the effectiveness and responsibility of personnel, especially the leadership and management team.
- Consolidate and develop high-quality human resources, paying special attention to the planning of the key leadership of the Regional level, Business Units, and Units at the Head Office.
- Standardize training towards synchronization, quality, and effectiveness based on reviewing and updating training programs suitable to the business context; consolidate and promote the capacity of the internal lecturer team.
- Actively consolidate, build, and cultivate extensively the unique cultural values of Nam A Bank by creating a civilized and professional, safe and transparent working environment, along with the spirit of long-term commitment between Nam A Bank and its employees.
- Enhance the role and activities of the Committees and Councils under the BOD in consulting and supervising specialized areas such as credit, investment, monetary business, risk management, human resources, and information technology.
- Continue to increase charter capital according to the plan until 2025 (according to the Restructuring Plan associated with bad debt resolution of Nam A Bank for the period 2021 – 2025), while considering seeking reputable strategic partners domestically and internationally to enhance financial capacity and management capacity.

2. Business Orientation in 2025:

The economy in 2025 is expected to have many positive developments, but there are still many new challenges from macroeconomic uncertainties that will affect the stability of the finance – banking industry. In that context, based on the objectives of the Restructuring Plan associated with bad debt resolution of Nam A Bank for the 2021 – 2025 period that has been approved, and the domestic and international business environment, the BOD respectfully submits to the AGM for consideration and approval of the business plan targets for 2025 as follows:

- Total assets: reach 270,000 billion dong as 10% growth compared to 2024.
- Mobilizing capital from customers and issuance of valuable papers: reach 209,000 billion dong as 17% growth compared to 2024.
- Outstanding credit balance: reach 194,000 billion dong as 16% growth compared to 2024 while ensuring a credit growth rate in line with the SBV's regulations in 2025.

- Control the bad debt ratio not exceeding 2.5%.
- Consolidated profit before tax: reach 5,000 billion dong (this profit level is calculated based on credit growth reaching the planned level and in accordance with SBV regulations; ensuring safety ratios according to current regulations of the SBV; stable macroeconomic conditions). In addition, to encourage units to exceed the assigned profit targets, the BOD proposes to the AGM to approve a policy of allocating 20% of the consolidated profit before tax exceeding the plan to motivate and encourage Nam A Bank's employees, which will be accounted for in personnel expenses in the bank's operations.

III. PROPOSAL

Respectfully request the AGM to discuss, contribute the opinions, and approve all contents of this report, and authorize the BOD to decide on all matters related to the implementation of the annual business plan, including:

- Reviewing and adjusting the business plan in accordance with the actual situation;
- Approving the business plan in each specific case;
- Deciding on business cooperation with domestic and international partners and financial institutions;
- For the business plan of the next fiscal year, until officially approved by the AGM, the BOD is authorized to approve and implement it based on the CEO's proposal, in accordance with the business context and legal regulations.
- Carry out necessary related tasks in compliance with legal regulations and the Charter of Nam A Bank;

Wishing the General Meeting a successful conclusion.

Respectfully reported./.

**FOR BOARD OF DIRECTORS
CHAIRMAN**

Recipients:

- Nam A Bank's Shareholders;
- BOD, BOS;
- Archived: Office of the BOD.

Tran Ngo Phuc Vu