

No: 1546/BSC

Hanoi, November 8, 2021

**Proposal  
On stock private offering plan to strategic investor  
to increase BSC's charter capital**

To: The General Meeting of Shareholders

*Based on the Enterprise Law No. 59/2020/QH14 approved by the Vietnam National Assembly on June 17, 2020;*

*Based on the Securities Law No. 54/2019/QH12 approved by the Vietnam National Assembly on November 26, 2019;*

*Based on the Government's Decree No. 155/2020/ND-CP dated December 31, 2020 detailing the implementation of a number of articles of the Securities Law;*

*Based on the Government's Circular No. 118/2020/TT-BTC dated December 31, 2020 guiding a number of contents on offering, issuance of securities, public offering, share repurchase, public company registration and cancelling the capacity of a public company;*

*Based on the Charter on organization and operation of the Bank for Investment and Development of Vietnam Securities Joint Stock Company approved and amended by the General Meeting of Shareholders on April 10, 2021;*

*Based on the Resolution of the 2021 Annual General Meeting of Shareholders No. 02/NQ-DHĐDD dated April 10, 2021 approving the plan to increase the charter capital of BSC in 2021;*

The Board of Directors of BIDV Securities Joint Stock Company ("BSC") would like to submit to the General Meeting of Shareholders to consider and approve the plan on stock private offering to strategic investor to increase the BSC's charter capital as follows:

**1. Plan on stock private offering to strategic investor to increase the BSC's charter capital:**

1. Issuer:	BIDV Securities Joint Stock Company
2. Name of stock:	Stock of BIDV Securities Joint Stock Company
3. Type of stock:	Ordinary stock
4. Code of stock:	BSI
5. Par value:	VND 10,000 per share
6. Current charter capital:	VND 1,220,700,780,000 (In words: One thousand two hundred and twenty billion, seven hundred million, seven hundred and eighty thousand dong)



7. Number of outstanding shares:	The total number of shares is 122,070,078 shares, of which: - Number of outstanding shares: 121,570,684 shares. - Number of treasury shares: 499,394 shares.
8. Purpose of offering:	Enhancing charter capital to improve financial capability, competitiveness and accord with the Company's development strategy.
9. Method of offering:	Private offering to strategic investor.
10. Number of shares being offered:	A maximum of 65,730,042 shares, equivalent to 54.07% of current outstanding shares.
11. Total value of shares being offered by par value:	A maximum of VND 657,300,420,000 ( <i>In words: Six hundred and fifty seven billion, three hundred million, four hundred and twenty thousand dong</i> ).
12. Estimated number of outstanding shares after the offering:	187,300,726 shares.
13. Estimated charter capital after the offering:	A maximum of VND 1,878,001,200,000 ( <i>In words: One thousand eight hundred and seventy eight billion, one million, two hundred thousand dong</i> ).
14. Ownership ratio of strategic investor after the offering:	Expected maximum ownership ratio at 35% of the charter capital after the offering on a fully-diluted basis.  The General Meeting of Shareholders authorizes the Board of Directors to adjust the specific number and percentage of shares to be offered on the basis of the negotiation results with the Investor.
15. Offering price:	The General Meeting of Shareholders authorizes the Board of Directors to approve the specific offering price at the time of the offering on the basis of negotiation and agreement with the Investor and in accordance with the principles specified in Article 126 of the Enterprises Law.
16. Criteria on strategic investor selection:	An organization who becomes a strategic investor of BSC need to meet the following specific criteria:  (i) An international financial institution/company with financial potential and total assets of at least USD 1 (one) billion, according to the audited financial statements at the end of the year prior to the year of registration as a strategic

	<p>shareholder and having more than 5 (five) years of experience in the financial sector.</p> <p>(ii) Having professional knowledge and experience suitable for the Company's business operations, having international prestige and reputation to support efficiently in corporate governance, advanced risk management, products and services development, and technology application.</p> <p>(iii) After buying shares and becoming a shareholder owning 10% or more of the charter capital of BSC, the strategic investor and related persons are not allowed to own more than 5% of the charter capital in another Vietnam securities company.</p> <p>(i) Having cooperation commitment with the Company at least 03 years.</p>
17. Strategic investor participating in the offering:	<p>The strategic investor considered and in the process of negotiating the transaction terms is <b>Hana Financial Investment Co., Ltd.</b> Business registration number is 110111-0208169 and address is at 82, Uisadang-daero, Yeongdeungpo-gu, Seoul, Korea. The Investor is assessed as meeting the specific criteria for selecting a strategic investor mentioned in Section 16 above.</p> <p><u>Note:</u> In case of failed negotiations with the partner on the detailed terms of the contract, two parties shall terminate the transaction.</p>
18. Number of investors:	01 Investor.
19. Restricted to transfer:	03 (three) years since the completion date of offering.
20. Public offering:	If the strategic investor participating in the purchase of shares in the private offering leads to an ownership ratio exceeding the ownership limit specified in Clause 1, Article 35 of the Securities Law, it is not required to conducting a public offering.
21. Expected time of the offering:	<p>Within 2021 - 2022, after the approval of the State Securities Commission.</p> <p>The General Meeting of Shareholders authorizes the Board of Directors to consider and decide time of the offering in accordance with the provisions of law and to ensure maximum benefits for shareholders and the Company.</p>
22. Plan to ensure foreign ownership ratio:	The General Meeting of Shareholders authorizes the Board of Directors to consider and decide on a plan to ensure the foreign ownership ratio in accordance with current laws and the Company's Charter.

23. Registration of securities depository, and listing for newly issued shares:	All newly issued shares according to the approved plan will be additionally registered and deposited at the Vietnam Securities Depository (VSD)/Vietnam Securities Depository and Clearing Corporation and additionally registered to be listed at the Ho Chi Minh City Stock Exchange (HSX) after finishing the issuance in accordance with current law.
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## 2. Plan of capital use from stock offering

Capital raised from the stock private offering to the strategic investor are expected to be allocated in the Company's activities, as follows:

- (i) Additional capital for the Company's securities business operations (including margin lending, securities investment, underwriting and other business operations): expected to be 80% of the capital raised from the offering;
- (ii) Additional capital for investment in upgrading the trading platform and other legitimate business activities of the Company: expected to be 20% of the capital raised from the offering.

The above-mentioned capital can be flexibly adjusted between the Company's business activities, based on the market situation and capital needs for actual business activities to ensure the efficiency of Company's use of capital in each period.

The General Meeting of Shareholders approves the plan of capital use and authorizes the Board of Directors to build a specific plan of capital use, decide specifically the distribution and use of the capital raised from the stock offering and/or to amend, supplement and adjust the plan of capital use in line with the schedule of increasing charter capital, the business situation of the company when conducting the stock offering, the general development strategy of the Company and ensure overall interests of the Company and shareholders.

## 3. Implementation:

Based on the stock private offering plan to strategic investor to increase the BSC's charter capital submitted to the General Meeting of Shareholders for approval, the Board of Directors would like to submit to the General Meeting of Shareholders for:

- a. Approving the plan of stock private offering to strategic investor to increase BSC's charter capital and the plan of capital use from the offering of shares with the above contents and authorize the Board of Directors to approve the actual result of the offering.
- b. Approving the amendment of the Company's Charter for the content of charter capital after issuance according to the plan approved by the General Meeting of Shareholders as in Part 1 and the actual result of the stock offering.
- c. Assigning/ Authorizing the Board of Directors to perform, including but not limited to, the following tasks:

- Building and approving the registration dossier for the stock offering with detailed contents of the stock private offering plan to strategic investor, including but not limited to: specific time of the offering, number of issued shares, offering price and conditions for the stock private offering to strategic investor in accordance with the plan mentioned in Part 1 and the provisions of laws, ensuring the overall interests of the Company and shareholders.
- Deciding the amendment, adjustment and explanation of the detailed contents of the above offering plan at the request of the Competent State Authority when implementing the stock offering plan or when necessary depending on the actual situation of the Company and the stock market at the time of the offering, on the basis of ensuring the interests of the Company and shareholders and in accordance with the provisions of current laws.
- Approving the details of Share Subscription Agreement and other Agreements and documents related to the transaction between BSC and the strategic investor.
- Deciding detailed purposes and the plan of capital raised from the offering and flexibly adjusting the allocation and use of capital raised from the offering depending on the actual situation, ensuring interests of the Company and shareholders. Implementing the plan of capital raised from the offering in accordance with the purposes of the offering, ensuring the interests of the Company, shareholders and complying with the provisions of laws. Implementing the procedures to report use of capital as prescribed.
- Deciding and implementing necessary tasks and procedures for capital raising in accordance with laws, including: (i) amendment/supplement the Company's license for establishment and operation of securities business at the State Securities Commission; (ii) registration of amendment of Company's enterprise registration certificate/business registration certificate; (iii) additional registration and depository of newly issued shares at the Vietnam Securities Depository (VSD)/Vietnam Securities Depository and Clearing Corporation; (iv) additional registration of newly issued shares to be listed at the Ho Chi Minh City Stock Exchange (HSX); (v) amendment of the charter capital, amendment/supplement of the article stipulating the charter capital in the Company's Charter in accordance with the new charter capital after the offering and (vi) other procedures in accordance with the provisions of current laws.
- Implementing all other necessary procedures at the request of Competent State Authority to complete the stock private offering to approved strategic investor, in accordance with laws and the Company's Charter.
- Deciding all other matters related to the stock private offering to strategic investor.

- d. In each specific case, the Board of Directors may authorize the General Director to perform one or some of the specific tasks mentioned above.

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

*To:*

- *As above,*
- *Archivist for record.*

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



**Ngo Van Dung**