

No: 07/TTr-HDQT

Rach Gia, April 04, 2025

PROPOSAL

**V/v: Remediation Plan in case of early intervention of Kien Long
Commercial Joint Stock Bank pursuant to Article 143 of
Law on Credit Institutions**

To: General Meeting of Shareholders

- Pursuant to the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 and its guiding documents (the "Law on Credit Institutions");
- Pursuant to the Charter of Kien Long Commercial Joint Stock Bank ("KienlongBank");

According to Article 143 of the Law on Credit Institutions, commercial banks and branches of foreign banks are required to develop a remediation plan in the event of early intervention. This remedial plan must be approved by the General Meeting of Shareholders and submitted to the State Bank of Vietnam within 10 days from the date of approval.

To ensure compliance with the Law on Credit Institutions and to enhance the proactiveness and timeliness in the development and adjustment of the remediation plan in case of early intervention, the Board of Directors of KienlongBank (the "BOD") respectfully submits to the General Meeting of Shareholders (the "GMS") for review and approval of the following::

Approval of the Remedial Plan in Case of Early Intervention of KienlongBank, with the main contents presented in the attached Appendix 01.

Authorization to the BOD to develop in detail the Remedial Plan in Case of Early Intervention of KienlongBank and report to the State Bank of Vietnam in accordance with regulations. This includes the right to amend and supplement (if necessary) depending on objective circumstances or at the request of competent state authorities. The BOD is authorized to delegate this responsibility to the General Director and/or relevant individuals or departments to carry out the necessary tasks in line with KienlongBank's regulations and the laws.

We respectfully submit to the General Meeting of Shareholders for review and approval.

Sincerely!

Recipients:

- As addressed;
- Archived at Administrative Office; Board of Director Office.

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



Tran Ngoc Minh



APPENDIX 01:

REMEDICATION PLAN IN CASE OF EARLY INTERVENTION OF KIENLONGBANK

1. Information and Assessment of Organizational Structure and Business Operations of KienlongBank

- Information and assessment of the organizational structure.
- Assessment of the IT system, internal controls, and risk management framework of KienlongBank.

2. Assessment of the Current Operational Status of KienlongBank

- Key consolidated indicators of KienlongBank for 2024.
- Capital sources and capital utilization.
- Non-credit activities.
- Business performance and capital adequacy ratios.

3. Cases Subject to Early Intervention and the basis for developing the Remediation Plan

- **Cases that SBV could implement early intervention** (*according to Article 156 of the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024 and guiding documents*)

- ✓ Accumulated losses exceed 15% of charter capital, allocated capital, and reserve funds as stated in the latest audited financial statement or as concluded by authorized state audit/ inspection, and violation of minimum capital adequacy ratio as stated in Point b, Clause 1, Article 138 of the Law.

- ✓ In the case where KienlongBank is rated below average as per the regulations of the Governor of the State Bank of Vietnam (SBV).

- ✓ In the case where KienlongBank violates the liquidity ratio specified at Point a, Clause 1, Article 138 of the Law on Credit Institutions for a continuous period of 30 days.

- ✓ In the case where KienlongBank violates the minimum capital adequacy ratio specified at Point b, Clause 1, Article 138 of the Law on Credit Institutions for a continuous period of 6 months.

- ✓ In the case where KienlongBank experiences a mass withdrawal of funds and submits a report to the SBV.

- **Basis for developing a remediation plan in the event of early intervention**

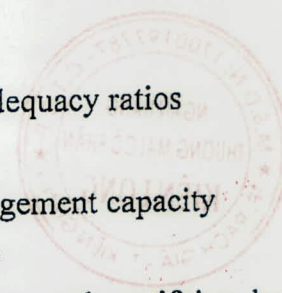
- ✓ Operational viewpoints and objectives of KienlongBank;

- ✓ External factors affecting KienlongBank's operations;

- ✓ Internal factors affecting KienlongBank's operations.

4. Solutions, roadmap, and implementation timeline for the remediation plan in the event of early intervention

- Solutions and roadmap related to increasing charter capital and allocated capital

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- Solutions and roadmap for rectifying violations of capital adequacy ratios
 - Solutions and roadmap for improving liquidity
 - Solutions and roadmap for enhancing governance and management capacity
 - Solutions and roadmap for improving business performance
 - Solutions and roadmap for resolving non-performing loans and rectifying legal violations
 - Monitoring and management measures for safety and performance ratios to provide early warnings of risks requiring early intervention
 - Support measures from the State Bank of Vietnam (SBV) in the event that KienlongBank is subject to early intervention.