



VIETNAM DAILY NEWS



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Market Analysis

1. Shares decline in first session of the week

The stock market declined on Monday as stocks across all sectors faced strong a sell-off from early in the session.

The VN-Index on the Ho Chi Minh Stock Exchange (HoSE) fell sharply by 1.41 per cent, to close at 941.04 points.

More stocks moved to the downside on the southern bourse, of which only 86 ticker symbols inched higher, while 371 stocks finished lower.

More than 666 million shares were traded on HoSE, worth nearly VND9.5 trillion (US\$384 million).

The benchmark index was pressured by losses in large-cap stocks, with the 30 biggest stocks tracker VN30-Index posting a decrease of 1.32 per cent, to 936.31 points. Ten stocks in the VN30 basket jumped, while 20 stocks slid and none ended flat.

The worst performers in the VN-30 basket were pillar stocks in the banking, retail and real estate industries. The biggest losers included Asia Commercial Bank (ACB), Techcombank (TCB), Tien Phong Bank (TCB), VPBank (VPB), Military Bank (MBB), Mobile World Group (MWG), Novaland (NVL) and Phat Dat Real Estate (PDR). Novaland hit the daily limit decline of 7 per cent.

Energy stocks also performed negatively with losers such as Viet Nam National Petroleum Group (PLX), PetroVietnam Technical Services Corporation (PVS), PetroVietnam Drilling and

Well Services Corporation (PVD) and Drilling Mud Joint Stock Corporation (PVC).

Securities stocks supported the indices as they increased toward the end of the session. The VN-Index's loss was significantly narrowed as securities stocks rose strongly, such as VNDirect Securities Corporation (VND), Saigon-Hanoi Securities JSC (SHS), Viet Capital Incorporation (VCI), Agribank Securities Corporation (AGR) and APG Securities Joint Stock Company (APG).

The market diverged strongly and the supply still showed no signs of improvement in the weak groups. Thus, the support move has not been confirmed, said Viet Dragon Securities Co.

It's expected that the market will still decline to test support signals around 950 points of VN-Index and 930 points of VN30-Index.

Therefore, investors should limit buying, continue to closely observe the support move to assess the market's status and consider lowering the weight if the stock shows signs of breaking support, it said.

On the Ha Noi Stock Exchange (HNX), the HNX-Index also finished lower. It lost 3.35 per cent, to 183.45 points.

During the session, VND734 billion worth of shares, equivalent to a trading volume of nearly 65.6 million shares, was traded on the northern market.

Macro & Policies

2. M&A in renewable energy recorded despite economic downturn

Despite concerns about a recession, economists said merger and acquisition (M&A) activities in the renewable energy industry still have much potential.

Exciting M&A with foreign investors

Tiong Hooi Ong, Deputy General Director and leader of the Transaction Service of PwC Vietnam, said despite macroeconomic obstacles in 2022, it was also an exciting year for M&A transactions, adding M&A activities continued to attract much attention from foreign investment funds.

He said: "We see an increase in strategic decisions to optimise portfolios as traders divest to focus their resources on enhancing business capabilities and transforming business sectors through M&A."

Tran Thi Khanh Hien, Director of the Analysis Division at VNDirect Securities, said the development of renewable energy was an inevitable trend at a time when Vietnam's electricity consumption demand was estimated to grow more than eight times between 2022-2030. Furthermore, 78% of the world's major manufacturing corporations would eliminate slow-moving suppliers by 2025.

"In Southeast Asia, Vietnam is leading the renewable energy race, with 16,000 MW of solar power and about 5,000 MW of wind power. In particular, renewable energy has strongly promoted the privatisation of the electricity industry," said Hien.

She added by the end of 2021 independent power plants accounted for 41.3% of the total installed capacity of the whole system, up from only 18.4% in 2018 when the solar wave was formed.

The proportion of renewable energy production increased sharply from 4-5% at the beginning of 2020 to 14-15% in the first eight months of 2022.

At the same time, Hien said many M&A deals took place in 2022, marking a significant milestone for

'green assets' in Vietnam, when EDP Renewables acquired 87% shares of Sunseap; ACEN bought 49% shares of Sola NT Holding; B.Grimm Power acquired 80% of shares in TTVN's 48MW Quang Tri wind power project.

In addition, B.Grimm Power acquired all shares of the 240MWp Tay Ninh Solar Power Plant; Sustainable Hitachi acquired a 35% stake in Trung Nam's 152MW wind farm – Hitachi, Xuan Thien sold Thuan Bac Solar Power Plant with a capacity of 255MWp to EDP Renewables (Portugal). In addition, Super Energy Group gradually assembled a portfolio of more than 1GW of solar and wind capacity in Vietnam.

General data of VNDirect showed that Vietnam is in the top 20 countries with the largest renewable energy capacity in the world and leading in Southeast Asia, with 16GW of solar power and about 5GW of wind power.

The data also said the private sector has become prominent in the race to put projects into commercial operation. The policies encouraging renewable energy attracted many enterprises to the market in the past two years.

VNDirect said Vietnamese private enterprises played a leading role in the development at the initial stops. However, currently, foreign enterprises have become prominent and active in acquiring projects.

KPMG data shows that the total value of M&A in Vietnam reached 5.7 billion USD in the first ten months of 2022, down more than 35% compared to last year.

However, renewable energy is becoming attractive in terms of sectors when it is worth nearly 600 million USD, an increase of about six times compared to the whole of 2021.

In recent years, private businesses have taken advantage of local know-how to scale up renewable energy clusters rapidly. The advantage is mainly due

to the regulation change to support private enterprises in the industry with the initial draft. In particular, Power Plan VIII, updated to October 2022, has increased the planning structure for solar and wind power sources to meet the goal of "net-zero carbon" by 2050.

Therefore, in 2022 - 45, the number of solar power capacity, including rooftop solar power, was expected to grow by 8%, and wind power capacity is expected to grow at a compound rate of 16%.

General Director of Trung Nam Group Nguyen Tam Tien predicted that the renewable energy market in Vietnam, after the issuance of Power Plan VIII, would have fierce competition.

He added Trung Nam Group has come up with specific plans to access technology, equipment, cost control, bidding and financial solutions to ensure its growth goals, affirm its position in the full-fledged

potential and be in line with the global trend as well as the local vision, saying: "If domestic enterprises do not have partnerships and are not prepared in advance, they are likely to be rejected by foreign investors."

So far, many large corporations have been involved in the energy segment. Leading capacity was Trung Nam Group, with about 1,500MW, followed by Xuan Thien Group with nearly 1,200MW, BCG Group with nearly 600KW and TTC Group with more than 400KW.

Experts said when the National Assembly amends the Electricity Law, it will allow businesses to invest in the construction of the transmission grid, leading to the need for investment capital for the transmission grid in the 2021-2030 period of about 14 billion USD, equivalent to about 1.4 billion USD per year.

3. FDI a feasible funding source for realty industry

Real estate enterprises should actively find alternative funding sources such as foreign direct investment (FDI) capital flow to curb their capital shortage as popular capital mobilisation channels for the realty industry have been tightened.

Capital mobilisation, especially for the real estate industry, is forecast to get tougher as interest rates in both the world and Vietnam keep rising.

Under global volatility, major economies such as the US, the UK and Canada have quickly tightened their monetary policy. The US Federal Reserve (Fed) raised interest rate five times this year to 3.75-4%, the highest rate since January 2008. More rate hikes are forecast in the last months of 2022 and 2023, which will increase pressure on interest and exchange rates, and inflation in Vietnam.

In Vietnam, the State Bank of Vietnam (SBV) had to increase policy interest rates twice in a month by a total of 200 basis points. Accordingly, the refinancing rate is 6% per year, up from 5%, while the rediscount rate is 4.5% per year, up from 3.5%.

Currently, bank credit is limited as the General Statistics Office reported credit by the end of October this year surged by 11.5%. Therefore, if the SBV keeps its credit growth target in 2022 at 14% as

planned previously, credit will be allowed to expand by only 2.5% in the last two months of this year.

Experts said it is difficult for the SBV to extend the credit growth target to more than 14% this year, especially when inflation is posing higher risks with the consumer price index (CPI) in October recorded at 4.3%.

With the 2.5% credit growth quota in the last two months of 2022, banks therefore will prioritise financing only production and business, excluding real estate.

At a meeting of the National Assembly on November 3, SBV's Governor Nguyen Thi Hong said real estate loans were being restricted to protect commercial banks and control inflation.

At a time when inflation control and bank safety are put first, it would be unwise to increase lending to real estate businesses, she noted, adding the central bank's monetary policy was to ensure macroeconomic stability and capital safety for commercial banks. Meanwhile, it would be potentially risky to lend to real estate businesses because real estate loans were huge and would come with a long term.

Hong said bank credit was just one of the funding sources for the property market and property businesses could raise capital from other sources.

Neil MacGregor, Managing Director of Savills Vietnam, said the Government and the SBV were making strong efforts to control inflation and stabilise the macro-economic environment, which would help the country's economy grow healthily and sustainably in the medium- and long-term, news portal dangcongsan.vn reported.

He said the Government's initiative in tightening capital mobilisation channels, such as corporate bonds and bank credit, would have certain short-term adverse impacts on many industries, including real estate. In return, Vietnam would have a more transparent financial market and gain increasing credibility in the eyes of international investors. However, the move had limited the domestic capital access of real estate enterprises. Investors and developers in the real estate industry, therefore, were being pushed into a challenging period when capital mobilisation channels, such as bond issuance, bank credit and the stock market, were disrupted.

According to a report from the Ministry of Finance, the bond issuance value of real estate enterprises in the first three quarters of 2022 decreased sharply to about 93 trillion VND, accounting for 28.87% of the country's total bond issuance value.

FDI capital flow

To ensure the real estate industry maintains a stable recovery rate and meets the needs of other economic sectors, MacGregor suggested real domestic estate enterprises raise capital from the foreign direct investment (FDI) flow.

While the capital mobilisation channels, including corporate bonds and bank credit, were not feasible, real estate enterprises should look to FDI capital as a suitable solution, he said, noting after more than 30 years of implementing the open-door policy to attract FDI, Vietnam had so far received investment from 140 countries and territories around the world. Manufacturing and real estate had been the most attractive industries to foreign investors. It must be affirmed that FDI capital was one of the most important sources for Vietnam.

Finding capital for the real estate industry from FDI flows was entirely possible because the interest of foreign investors in the Vietnamese market today was very big, MacGregor said.

According to the Ministry of Planning and Investment's Foreign Investment Agency, as of October 20, the total registered FDI capital to Vietnam reached 22.46 billion USD, down 5.4% over the same period in 2021. However, the foreign flows to real estate continued to surge in the period, helping the industry rank second in the list of industries attracting FDI with more than 3.87 billion USD, against 2.12 billion USD in the same period last year.

MacGregor believed with existing cleared land resources as well as transparent working methods and available competence, it would not be difficult for domestic real estate enterprises to find suitable foreign investors.

With the advantages of understanding the domestic market and administrative procedures, many Vietnamese real estate enterprises had so far cooperated with foreign investors, who have good experience and financial strength, to supply the market with many large-sized real estate projects in every segment with good quality, he said.

4. Investors will benefit when corporate bond market is transparent: experts

Investors can benefit from better and more efficient products following the government's regulatory crackdown on illegal practices by certain companies, ensuring the bond market develops more sustainably, economists assure.

Assoc Prof Dr Dinh Trong Think, a senior lecturer at the Academy of Finance, said the bond market is an efficient medium- and long-term capital mobilisation channel for businesses that help them reduce their dependence on bank credit.

However, this year corporate bond issuances have reduced significantly after authorities tightened conditions for bond trading by credit institutions and intensified checks and oversight.

Though the market has slowed down, the government's move to reform issuance and trading of corporate bonds and boost transparency is imperative.

The bond market needs to be restructured with more stringent regulations to avoid the risk of mass collapse and protect investors' interest, he said.

"The Vietnamese corporate bond market has huge potential for growth. This is an important capital source for the economy and businesses and an attractive investment channel for investors, especially when safety criteria are improved steadily."

Nguyen Thanh Ha, director of SB Law, said controlling the issuance of corporate bonds is imperative, but it should not cause a bottleneck in the bond market.

Recent violations by some individuals and organisations in the corporate bond market are important lessons for the financial sector to draw and improve, and the violations do not represent the whole market, he said.

"We should not look at these violations in a negative way, but in a positive way. They are warning signs [for the sector] to make some adjustments to

develop the market in a more transparent and healthy manner, but not create a knot in the bond market."

Assoc Prof Dr Ngo Tri Long, former director of the Ministry of Finance's Price and Market Research Institute, said authorities are slapping stronger sanctions to ensure the market's healthy development.

Strictly dealing with violators would help the bond market become safer and more transparent, enterprises with good assets, prestige, transparency, and good business prospects could raise funds through bonds, and investors would have the opportunity to invest in a safe and profitable asset, he said.

Investors, especially retail investors, need to know about the market to prevent risks and should buy bonds of leading enterprises with a sustained development history, he said.

Bond interest rates may not be much higher than bank savings interest rates, but it is a safe asset class, especially for inexperienced investors, he said.

Besides, investors need to carefully consider the professionalism of the issuance management entity and the intermediary between them and the bond issuer to avoid risk.

They should not sell off their bonds before maturity to avoid losses, he added.

5. Vietnam preparing for new growth

Amid unpredictable global uncertainties, what should the Vietnamese government do to boost economic growth in Q4 and ensure high growth next year?

After growing 5.03 per cent in Q1 2022, the Vietnamese economy bounced back to 7.72 per cent in Q2, and 6 per cent through the year of 2022 according to the International Monetary Fund (IMF).

I see that despite numerous difficulties in the global economy, Vietnam remains an attractive destination for foreign direct investment (FDI) due to an abundant and diligent workforce.

The diversification of supply chains induced by the US-China trade conflict and the pandemic will enable Vietnam to welcome an increase in FDI inflows and witness a strong shift in the country's supply chains.

However, Vietnam is forecast to face losses in its human resources (HR) advantages due to ageing population over the next three decades, and the country's existing model of labour-intensive development will face some limitations.

In addition, Vietnam's labour productivity remains relatively low as compared to many other nations –

only 10 per cent of Singapore, 40 per cent of Thailand, and 60 per cent of the Philippines. Vietnam's high-quality HR and trained and skillful labourers remain limited to meet a rise in employment opportunities.

Thus, Vietnam needs to invest more on HR development in order to meet the increasing needs for labour in the coming time. This is considered as one of the keys to sustainable economic growth and enhancement of national competitiveness.

The Japan International Cooperation Agency (JICA) has been working with the Vietnamese government in HR development to meet the needs of employment. For example, we are extending ties with the Vietnam-Japan University and the Vietnam-Japan Institute for HR Development, and also fostering technical cooperation for skilled intern improvements.

Vietnam has been rated by the international community to have been doing a good job in economic recovery. What is your assessment about this effort?

According to a conclusion from a recent consultation between representatives from the IMF and the Vietnamese government, the economy is predicted to grow 6 per cent this year.

The economy is forecasted to ensure stable growth from this year on the back of a policy of living with COVID-19. However, Vietnam still needs to take great caution about global geopolitical uncertainties such as the ongoing Russia-Ukraine conflict, increases in input prices of materials for production, and the US raising interest rates, and many nations' high inflation.

However, we are still seeing that in the coming time, FDI into Vietnam is expected to continue rising, especially in disbursement – reflecting foreign investors' interest to domestic funding and the business climate.

Japanese investment into Vietnam has expanded over recent years in a wide range of industries. Many foreign investors said that Vietnam has been making great efforts in institutional reforms and betterment of the investment climate. What is your view on this?

The pandemic has helped highlight the importance of and the urgent need for the diversification of global supply chains. Previously, these supply chains were formed in a number of big economies, and now they tend to expand to many other economies. This trend is also emerging within Japan, and Vietnam has been gradually becoming a prospective destination in this trend.

Impressively, many Japanese businesses wish to expand their investment into Vietnam. However, the nation's localisation rate almost remains unchanged – at about 30 per cent – as compared to about 10 years ago. Meanwhile, such a rate is about 60 per cent in China, and nearly 50 per cent in Thailand.

Aware of this, JICA has been making efforts in supporting many localities in Vietnam to increase the localisation rate. This will help them attract more FDI.

Specifically, we are now implementing a programme under collaboration with Ministry of Planning and Investment, in which Japanese enterprises are supported in terms of market information with guidance. Under this programme, we receive requests of them and help them to look for suitable partners, and also help them overcome technical shortcomings during their performance. Such support is carried out by Japanese experts.

Along with this programme, JICA is now cooperating with the Vietnamese government in formulating a loan project to support 13 vocational schools and a technical cooperation project in Vietnam, which now faces difficulties because of the sudden and unexpected change of the country's regulations.

If all procedures are completed and the project is deployed, we hope that Vietnam's training of young and skillful labourers will be improved gradually but significantly. One of the big characteristics of JICA's cooperation is that Japanese experts would be here assisting at the beginning of the project, and the goal we always aim for is that Vietnamese people will be able to provide training themselves.

How has the past few years of COVID-19 and the limitations affected Japan's support for Vietnam?

Many public works in Vietnam have been delayed in that time. JICA-funded projects including the Line No.1 metro railway project in Ho Chi Minh City were

also severely affected due to the impact of the pandemic.

Before then, every year JICA could send dozens of experts to Vietnam to work and train about 300 Vietnamese people in Japan. However, the pandemic forced all of these activities to take place online, and 40 of our volunteers working in Vietnam had to return to Japan.

However, we have made every effort to minimise these impacts on operations, with the quick restoration of the operation of projects to help Vietnam recover as soon as possible. We have also quickly deployed the reassignment of volunteers, whereby, Vietnam is the first country in the world where we have re-sent volunteers after the pandemic. Currently, along with Vietnam's policy of living with COVID-19, JICA's activities have returned to normal as before the pandemic outbreak.

I believe that not only myself, but people who stay in Vietnam also appreciate the post-pandemic policy

6. Packaging industry to grow at 12.3%

The packaging industry is expected to grow at 12.3% a year until next year, according to the Vietnam Packaging Association.

The growth is driven by the growth in F&B, consumer goods, exports, and e-commerce.

The Vietnamese market offers huge opportunities to foreign investors, according to Khieu Duy Hai, director of market research and consulting of FiinGroup.

The industry posted average growth of 11% a year in 2017-21, and achieved revenues of 13.2 billion USD last year, he told a recent seminar in Ho Chi Minh City.

The industry has four segments -- plastic, paper, corrugated, and glass packaging - with plastic holding the largest share, according to Hai.

Knowing the long-term growth potential of the Vietnamese market, many foreign investors have

taken by the government. Normalisation of visiting each country will lead to more active FDI growth. However, in order to attract FDI continuously, more development of high-quality infrastructure and HR are needed in the long run.

What my concern is that, in recent years the amount of newly-signed official development assistance (ODA) loan projects have decreased sharply, about one-sixth of the peak amount.

Vietnam still needs to develop infrastructure for economic growth, and there are still many roles that ODA can play. Compared to market finance, these loans are high in concession, with long repayment periods and low interest rates. This suits important and high quality infrastructure developments. Meanwhile, technical cooperation, which conforms with mainly grants, plays a significant role in HR development. The combination of both schemes will truly help economic growth and improve people's lives in this country.

been entering the market and expanding via mergers and acquisitions.

Green packaging has huge growth potential due to the EPR (extended producer responsibility) scheme that encourages packaging producers to manage collection, sorting and recycling of the packaging they send into the market, the Environment Protection Law and CSR commitments by producers.

Nguyen Ngoc Minh Thy, deputy chairman of the Vietnam Packaging Association, said the industry was making efforts to accelerate digital transformation and automation of manufacturing to improve its efficiency and product quality.

It was also catching up with key trends in global packaging materials and designs, with a focus on green and sustainable development, they said.

7. F88 secures US\$60 million loan

Of the total, US\$50 million is borrowed from CLSA Capital Partners via Lending Ark Asia Secured Private Debt Funds, and the balance from Lendable.

F88 obtained the loan from Lending Ark for the first time, while this is the second loan that Lendable, through its financial investment fund, has extended to F88. The first loan of US\$10 million was disbursed in early 2022.

F88 is set to use this financing to grow its loan book and develop its distribution network.

Between January and September, F88's loan book grew 246.4% compared to the same period last year. In addition, the continued development of F88's distribution network, resulting in 300 new points of sale in 2022, helped F88 reach its target of 800 outlets by October 2022.

Since the beginning of 2022, F88 has raised US\$70 million from two major international financial institutions in Asia and Europe. The firm looks to launch its initial public offering in 2024, when the number of points of sale amounts to 1,400, and its business capitalization reaches US\$1 billion.

Corporate News

8. MSN: Masan Group seeks German support on its renewable technology plan

↑ 3.01%

The proposals were shared by Masan Group CEO Danny Le at the Vietnam - Germany Business Roundtable in the presence of Vietnam's Prime Minister Pham Minh Chinh and Germany's Chancellor Olaf Scholz on the evening of November 13.

"As one of the leading private sector groups in Vietnam, Masan actively seeks and develops relationships with major partners worldwide in our business fields," said Le.

Speaking to the two heads of government, Le remarked that Masan first established a relationship with German businesses in 2013, when the group was seeking tungsten refining technology to fulfil a commitment to the Vietnamese government on going downstream to elevate the value of Vietnam's industrial minerals.

Masan chose to partner with H.C. Starck GmbH as the company was a leading business in tungsten refining and recycling technology in Germany with over 100 years of experience, as well as one of the few companies in the world with a comprehensive and environment-friendly tungsten recycling platform.

In 2020, Masan acquired a 100 per cent stake in H.C. Starck's global tungsten business. This \$82.5 million transaction allows Masan to officially take over H.C. Starck's tungsten manufacturing plants in Germany, Canada, and China, with a total capacity of about 13,300 tons of high-value tungsten products, making Vietnam the world's largest tungsten producer outside of China.

"The acquisition of H.C. Starck's tungsten business has helped Masan expand our market and client base to more than 50 countries, affirm Vietnam's increased competitiveness in the international tungsten market and uncover possibilities to train and develop technical expertise in Vietnam's high-tech materials industry," he said.

Will Vietnam have the first tungsten recycling plant?

Germany is currently Vietnam's major trading partner in Europe, as well as an important gateway for Vietnamese exports to other European markets. From 2017 to date, bilateral trade has averaged \$9-10 billion yearly, totalling \$11.22 billion in 2021.

Vietnamese firms have 36 valid investment projects in Germany as of October 2022, with a total adjusted investment capital of more than \$283.3 million.

Chancellor Olaf Scholz said German corporations and businesses were increasingly interested in Vietnam, particularly in the renewable energy and manufacturing industry. He suggested that the two countries' businesses shake hands to collaborate and grow together.

"In light of the global trend of accelerating a circular economy to achieve sustainable development goals and based on the success of the tungsten refining project using high technology, Masan together with H.C. Starck will go on to conduct research and planning for the construction of the first tungsten recycling plant in Vietnam," Le said.

"The project aims to make Vietnam the region's leading technology centre for recycling tungsten and precious metals, thereby reducing reliance on primary raw materials from mining activities."

He also shared the recent news of H.C. Starck's investment of \$52.96 million in Nyobolt – a fast-charging Lithium-ion battery technology company in the United Kingdom. Nyobolt's technology employs H.C. Starck's high-tech tungsten materials in the battery anode coating to produce batteries of superior quality.

Tungsten-based Lithium-ion batteries have super-fast charging speeds, with 90 per cent being

charged in less than 5 minutes. With up to 10 times higher power density, the battery has longer durability and saves the cost of battery usage. With less thermal stress than conventional graphite-based batteries, there is a reduced risk of fire and explosion, thus increasing end-user safety.

“By 2027, Masan will be not only the world's leading supplier of high-tech materials but also an innovation leader in the global consumer technology products, with high-efficiency rechargeable Li-ion battery being the first-to-market,” Le said.

He proposed that the German government consider an Energy Cost Support Scheme for energy-intensive businesses like H.C. Starck and

adopt a more flexible policy approach enabling greater access to strategic raw materials sources critical to H.C.'s tungsten recycling technology in Germany.

Masan Group also seeks the Vietnamese government's support in reviewing and approving the import of tungsten scrap to ensure stable raw material supply for the tungsten scrap recycling project – a key project that the group has been putting all efforts into research and implementation with the ambition to turn Vietnam into the region's leading technology centre for recycling tungsten and precious metals, thereby reducing reliance on primary raw materials from mining activities.

9. KDC: BOD resolution dated November 10, 2022

↓ -1.96%

The Board resolution dated November 10, 2022, the BOD of KIDO Group Corporation approved the following issues:

1. Approving the regulation on stock issuance under ESOP.
2. Approving the standard of the Company's employees to be participated in stock issuance under ESOP.
3. Approving the estimated execution time in Quarter IV/2022, after being approved by the State Securities Commission of Vietnam (SSC).
4. Approving the plan for stock issuance under ESOP:

- Stock name: KIDO Group Corporation

- Stock code: KDC

- Stock type: common share

- Par value: VND10,000/share

- Charter capital before the issuance:
VND2,797,413,560,000

- Number of shares issued: 279,741,356 shares; Of which:

+ Number of outstanding shares: 257,224,010 shares

+ Number of treasury shares: 22,517,346 shares

- Number of shares expected to be issued:
10,064,960 shares

- Total value of issuance (at par value):
VND100,649,600,000

- Issuance rate: 3.9% of number of outstanding shares

- Issuance price: VND15,000/share

- Time of implementation: expected in Quarter IV/2022, after being approved by the State Securities Commission of Vietnam (SSC).

- Purpose of using capital after the issuance: Total proceeds from the issuance will be used to supplement working capital for the Company's business activities.

5. Approving the proposed roadmap for issuing shares to employees and issuing shares to increase capital from the owner's equity:

- Stock issuance to employees (ESOP) will be carried out before the stock issuance to raise capital from the owner's equity

- Stock issuance to raise capital from the owner's equity will be postponed and will be noticed later.

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