



Asia Commercial Joint Stock Bank

Separate financial statements
for the year ended 31 December 2024



ASIA COMMERCIAL JOINT STOCK BANK

SEPARATE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

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ASIA COMMERCIAL JOINT STOCK BANK

BANK INFORMATION

Establishment and Operation Licence for Commercial Bank

No. 91/GP-NHNN dated 19 September 2018

The Establishment and Operation Licence for Commercial Bank was issued by the State Bank of Vietnam has been amended several times with the latest licence dated 28 June 2024. In accordance with the Establishment and Operation Licence for Commercial Bank, the operation period of the Bank is 50 years from 24 April 1993.

Enterprise Registration Certificate

No. 0301452948 dated 19 May 1993

The Enterprise Registration Certificate has been amended several times with the latest certificate dated 25 June 2024. The initial Enterprise Registration Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City.

Board of Directors

Mr. Tran Hung Huy	Chairman
Mr. Nguyen Thanh Long	Vice Chairman
Mr. Hiep Van Vo	Member
Ms. Dinh Thi Hoa	Member
Ms. Dang Thu Thuy	Member
Mr. Dam Van Tuan	Member
Mr. Do Minh Toan	Member
Mr. Nguyen Van Hoa	Member
Mr. Trinh Bao Quoc	Independent Member

Supervisory Board

Mr. Huynh Nghia Hiep	Head of Supervisory Board
Ms. Nguyen Thi Minh Lan	Specialised Member
Ms. Hoang Ngan	Specialised Member

Board of Management

Mr. Tu Tien Phat	General Director
Mr. Dam Van Tuan	Deputy General Director
Mr. Bui Tan Tai	Deputy General Director
Mr. Nguyen Duc Thai Han	Deputy General Director
Ms. Nguyen Thi Hai	Deputy General Director
Ms. Nguyen Thi Tuyet Van	Deputy General Director
Mr. Nguyen Van Hoa	Deputy General Director
Mr. Nguyen Khac Nguyen	Deputy General Director
Mr. Ngo Tan Long	Deputy General Director

Legal of Representative

Mr. Tu Tien Phat	General Director
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Registered office

442 Nguyen Thi Minh Khai Street, Ward 5, District 3
Ho Chi Minh City, Vietnam

Auditor

KPMG Limited
Vietnam

ASIA COMMERCIAL JOINT STOCK BANK

STATEMENT OF THE BOARD OF MANAGEMENT

THE BOARD OF MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE SEPARATE FINANCIAL STATEMENTS

The Board of Management of Asia Commercial Joint Stock Bank ("the Bank") is responsible for preparing the separate financial statements as set out on pages 5 to 88 which give a true and fair view of the separate financial position of the Bank as at 31 December 2024 and the separate results of its operations and separate cash flows for the year then ended. In preparing these separate financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent; and
- prepare the separate financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business.

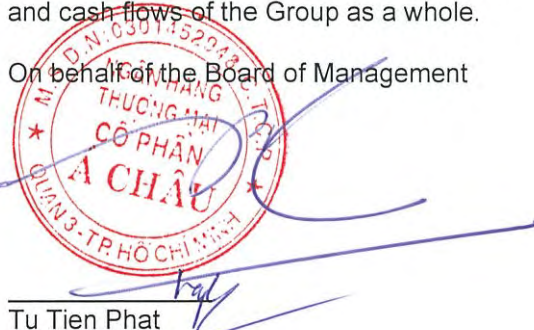
The Board of Management is responsible for ensuring that proper accounting records are maintained which disclose, with reasonable accuracy at any time, the separate financial position of the Bank and which enable the separate financial statements to be prepared in compliance with the basis of accounting set out in Note 2 to the separate financial statements. The Board of Management is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

APPROVAL OF THE SEPARATE FINANCIAL STATEMENTS

I, Tu Tien Phat, on behalf of the Board of Management, hereby approve the accompanying separate financial statements as set out on pages 5 to 88 which give a true and fair view of the separate financial position of the Bank as at 31 December 2024 and of the separate results of its operations and of its separate cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements on preparation and presentation of separate financial statements applicable to credit institutions operating in Vietnam.

Users of the separate financial statements of the Bank should read them together with the consolidated financial statements of the Bank and its subsidiaries (collectively referred to as "the Group") for the year ended 31 December 2024 in order to obtain full information of the financial position, results of operations and cash flows of the Group as a whole.

On behalf of the Board of Management



Tu Tien Phat
General Director

Ho Chi Minh City, Vietnam
24 February 2025



KPMG Limited Branch
10th Floor, Sun Wah Tower
115 Nguyen Hue Street, Ben Nghe Ward
District 1, Ho Chi Minh City, Vietnam
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INDEPENDENT AUDITOR’S REPORT

To the Shareholders Asia Commercial Joint Stock Bank

We have audited the accompanying separate financial statements of Asia Commercial Joint Stock Bank (“the Bank”), which comprise the separate statement of financial position as at 31 December 2024, the separate statement of profit or loss and the separate statement of cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank’s Board of Management on 24 February 2025, as set out on pages 5 to 88.

The Board of Management’s Responsibility

The Bank’s Board of Management is responsible for the preparation and true and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Board of Management determines is necessary to enable the preparation of separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor’s Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank’s preparation and true and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank’s internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Bank’s Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.





Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of Asia Commercial Joint Stock Bank as at 31 December 2024 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam

Audit Report No.: 24-01-00562-25-1



Nelson Rodriguez Casihan
Practicing Auditor Registration
Certificate No. 2225-2023-007-1
Deputy General Director

Pham Huy Cuong
Practicing Auditor Registration
Certificate No. 2675-2024-007-1

Ho Chi Minh City, 24 February 2025

THE SEPARATE STATEMENT OF FINANCIAL POSITION

		As at		
		31.12.2024	31.12.2023	
		VND million	VND million	
	Note			
A	ASSETS			
I	Cash on hand, gold and gemstones	4	5,696,444	6,909,295
II	Balances with the State Bank of Vietnam	5	25,219,461	18,504,709
III	Deposits with and loans to other credit institutions	6	108,003,288	111,175,983
1	Deposits with other credit institutions		106,836,456	110,121,654
2	Loans to other credit institutions		1,216,832	1,104,329
3	Allowance for credit losses	6.3	(50,000)	(50,000)
IV	Held-for-trading securities	7	841,743	5,879,766
1	Held-for-trading securities	7.1	841,743	5,879,766
V	Derivatives and other financial assets	8	55,992	-
VI	Loans to customers	9	563,147,530	476,062,518
1	Loans to customers		569,734,624	481,276,138
2	Allowance for losses on loans to customers	9.7	(6,587,094)	(5,213,620)
VIII	Investment securities	10	121,090,243	73,463,347
1	Available-for-sale securities		108,918,477	44,903,768
2	Held-to-maturity securities		12,171,766	28,559,579
IX	Long-term investments	11	7,578,535	4,583,105
1	Investments in subsidiaries	11.2	7,505,000	4,505,000
4	Other long-term investments	11.3	241,467	241,467
5	Allowance for diminution in value of long-term investments	11.4	(167,932)	(163,362)
X	Fixed assets	12	5,326,341	4,680,080
1	Tangible fixed assets	12.1	3,162,095	3,251,505
a	Cost		6,331,878	6,096,640
b	Accumulated depreciation		(3,169,783)	(2,845,135)
3	Intangible fixed assets	12.2	2,164,246	1,428,575
a	Cost		2,870,302	2,035,730
b	Accumulated amortisation		(706,056)	(607,155)
XII	Other assets	13	9,471,828	10,456,118
1	Receivables	13.1	3,547,914	5,387,459
2	Accrued interest and fee receivables		4,783,969	4,203,937
3	Deferred tax assets	13.2	17,190	33,535
4	Other assets	13.3	1,295,406	1,003,880
5	Allowance for losses on other assets	13.4	(172,651)	(172,693)
	TOTAL ASSETS		846,431,405	711,714,921

The notes on pages 11 to 88 are an integral part of these separate financial statements.

THE SEPARATE STATEMENT OF FINANCIAL POSITION
(continued)

		As at	
		31.12.2024	31.12.2023
Note		VND million	VND million
B	LIABILITIES AND OWNERS' EQUITY		
I	Due to the Government and the State Bank of Vietnam	7,954,853	88
1	Deposits and borrowings from the Government and the State Bank of Vietnam	7,954,853	88
II	Deposits and borrowings from other credit institutions	94,993,212	84,315,730
1	Deposits from other credit institutions	91,621,806	80,745,540
2	Borrowings from other credit institutions	3,371,406	3,570,190
III	Deposits from customers	539,139,747	483,649,253
IV	Derivatives and other financial liabilities	-	117,126
V	Funds and entrusted investments received from the Government, international and other credit institutions	28,008	41,534
VI	Valuable papers issued	101,648,155	52,392,403
VII	Other liabilities	21,614,533	21,947,038
1	Accrued interest and fee payables	7,023,331	7,666,244
3	Other liabilities	14,591,202	14,280,794
	TOTAL LIABILITIES	765,378,508	642,463,172
VIII	Owners' equity	81,052,897	69,251,749
1	Capital	44,938,358	39,112,283
a	Charter capital	44,666,579	38,840,504
c	Share premium	271,779	271,779
2	Reserves	14,336,576	11,119,536
5	Retained profits	21,777,963	19,019,930
a	<i>Net profits for the year</i>	12,868,159	13,193,492
b	<i>Retained profits accumulated to the prior year</i>	8,909,804	5,826,438
	TOTAL OWNERS' EQUITY	81,052,897	69,251,749
	TOTAL LIABILITIES AND OWNERS' EQUITY	846,431,405	711,714,921

The notes on pages 11 to 88 are an integral part of these separate financial statements.

THE SEPARATE STATEMENT OF FINANCIAL POSITION
(continued)

OFF-BALANCE SHEET ITEMS

		As at		
		Note	31.12.2024 VND million	31.12.2023 VND million
1	Borrowing guarantees	37.1	54,784	42,766
2	Commitments on foreign exchange transactions	37.1	195,824,188	134,953,935
	<i>Commitments on purchases of foreign currency</i>		1,671,699	1,527,131
	<i>Commitments on sales of foreign currency</i>		1,865,951	704,551
	<i>Commitments on swap transactions</i>		192,286,538	132,722,253
4	Letters of credit	37.1	3,519,014	2,183,846
5	Other guarantees	37.1	15,330,856	11,922,874
6	Other commitments	37.1	28,349,409	14,410,228
7	Overdue interest and fee receivables not collected yet	38	1,729,633	1,204,623
8	Written-off bad debts	39	6,687,997	7,284,513
9	Assets and other documents	40	638,473	757,357



Phuong The An
Preparer



Duong Thi Nguyet
Chief Accountant



Tu Tien Phat
General Director
24 February 2025



THE SEPARATE STATEMENT OF PROFIT OR LOSS

	Note	2024 VND million	2023 VND million
1 Interest and similar income	21	49,688,521	51,763,519
2 Interest and similar expenses	22	(22,746,651)	(27,353,221)
I Net interest income		26,941,870	24,410,298
3 Fee and commission income	23	5,075,921	4,615,554
4 Fee and commission expenses	24	(2,099,078)	(1,930,477)
II Net fee and commission income		2,976,843	2,685,077
III Net gain from trading of foreign currencies	25	1,169,955	1,109,601
IV Net (loss)/gain from trading of held-for-trading securities	26	(11,863)	15,499
V Net gain from trading of investment securities	27	450,312	2,647,140
5 Other income		1,165,261	1,069,406
6 Other expenses		(459,987)	(268,748)
VI Net other income	28	705,274	800,658
VII Income from investments in other entities	29	14,492	63,720
VIII Operating expenses	30	(10,528,840)	(10,514,870)
IX Operating profit before allowance expenses for credit losses		21,718,043	21,217,123
X Allowance expenses for credit losses	31	(1,599,079)	(1,783,020)
XI Profit before tax		20,118,964	19,434,103
7 Current corporate income tax	32.1	(4,017,420)	(3,881,918)
8 Deferred corporate income tax expense	32.2	(16,345)	(30,431)
XII Total corporate income tax	32	(4,033,765)	(3,912,349)
XIII Profit after tax		16,085,199	15,521,754



Phuong The An
Preparer



Duong Thi Nguyet
Chief Accountant



Tu Tien Phat
General Director
24 February 2025

THE SEPARATE STATEMENT OF CASH FLOWS
(Direct method)

	Note	2024 VND million	2023 VND million
CASH FLOWS FROM OPERATING ACTIVITIES			
01		49,108,489	51,620,959
02		(23,366,957)	(25,142,880)
03		2,410,176	2,120,506
04			
		1,608,404	3,772,240
05		(74,034)	(73,263)
06		732,524	872,746
07		(10,366,159)	(10,251,221)
08		(3,941,421)	(3,930,009)
		<hr/>	<hr/>
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES		16,111,022	18,989,078
Changes in operating assets			
09			
		(112,503)	3,323,622
10		(41,824,763)	(2,928,370)
11		(55,992)	100,072
12		(88,458,485)	(71,122,820)
13		(224,804)	(1,280,830)
14		1,110,439	7,061
Changes in operating liabilities			
15			
		7,954,765	(505,788)
16		10,677,482	16,996,899
17		55,490,494	67,895,066
18		49,233,145	8,099,170
19			
		(13,526)	(18,654)
20			
		(117,126)	117,126
21		825,822	(1,836,978)
22		(1,249)	(1,500)
		<hr/>	<hr/>
I	NET CASH FLOWS FROM OPERATING ACTIVITIES	10,594,721	37,833,154

The notes on pages 11 to 88 are an integral part of these separate financial statements.

THE SEPARATE STATEMENT OF CASH FLOWS
(Direct method)
(continued)

	Note	2024 VND million	2023 VND million
CASH FLOWS FROM INVESTING ACTIVITIES			
01		(890,087)	(1,243,832)
02		147,843	3,618
07		(3,000,000)	(1,000,000)
09		12,387	126,169
II		(3,729,857)	(2,114,045)
CASH FLOWS FROM FINANCING ACTIVITIES			
04		(3,884,051)	(3,377,435)
III		(3,884,051)	(3,377,435)
IV		2,980,813	32,341,674
V		135,771,548	103,429,874
VII	33	138,752,361	135,771,548



Phuong The An
Preparer



Duong Thi Nguyet
Chief Accountant



Tu Tien Phat
General Director
24 February 2025

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

These notes are an integral part of and should be read in conjunction with the accompanying separate financial statements.

1 THE REPORTING ENTITY

(a) Establishment and operation

Asia Commercial Joint Stock Bank ("the Bank") is a commercial joint stock bank incorporated in the Socialist Republic of Vietnam.

The Bank was established under the Operation Licence No. 0032/NH-GP issued by the State Bank of Vietnam ("the SBV") on 24 April 1993 for a period of 50 years from the licence date. On 19 September 2018, the SBV issued the Establishment and Operation Licence for Commercial Bank No. 91/GP-NHNN to replace the Operation Licence No. 0032/NH-GP. The operation period of the Bank remains unchanged in the new Licence. The Bank's shares are listed on the Ho Chi Minh Stock Exchange with the stock symbol being ACB.

The principal activities of the Bank are to mobilise short, medium and long-term funds in the form of term deposits, demand deposits; to receive entrusted investment and development funds from domestic credit institutions; to borrow from other financial institutions; to grant short, medium and long-term loans; to discount commercial papers, bonds and other valuable papers; to contribute capital and to invest in joint-ventures in accordance with laws and regulations; to provide settlement services to customers; to trade foreign currencies, gold; to provide trade finance services; to mobilise overseas funds and to perform other type of services when dealing with overseas counterparties in accordance with the approval of the SBV; to conduct debt factoring activities; to trade bonds; trusted activities and fiduciary activities; to provide commodity derivatives; insurance agent services; securities depository; providing clearing and settlement services for securities transactions; supervisory bank under securities legislation and to provide other banking services.

(b) Charter capital

As at 31 December 2024, the Bank's charter capital was VND44,666,579,120,000 (31.12.2023: VND38,840,503,580,000). The Bank has issued 4,466,657,912 ordinary shares with a par value of VND10,000 per share.

(c) Location and operational network

The Bank's Head Office is located at 442 Nguyen Thi Minh Khai Street, Ward 5, District 3, Ho Chi Minh City, Vietnam. As at 31 December 2024, the Bank had 1 head office, 388 branches and sub-branches nation-wide (31.12.2023: 1 head office, 384 branches and sub-branches).

(d) Subsidiaries

As at 31 December 2024 and 31 December 2023, the Bank had the following subsidiaries:

Subsidiary	Operation Licence	Nature of business	Percentage of ownership and voting rights	
			31.12.2024	31.12.2023
ACB Securities Company Limited ("ACBS")	06/GPHDKD	Securities	100%	100%
Asia Commercial Bank Asset Management Company Limited ("ACBA")	0303539425	Asset management	100%	100%
Asia Commercial Bank Leasing Company Limited ("ACBL")	06/GP-NHNN	Finance leasing	100%	100%
ACB Capital Management Company Limited ("ACBC") (*)	41/UBCK-GP	Fund management	100%	100%



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****1 THE REPORTING ENTITY (continued)****(d) Subsidiaries (continued)**

(*) ACBC is a wholly owned subsidiary of ACBS.

All of the subsidiaries are established in Vietnam.

(e) Number of employees

As at 31 December 2024, the Bank had 12,847 employees (31.12.2023: 13,224 employees).

2 BASIS OF PREPARATION**(a) Statement of compliance**

The separate financial statements are prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements on the preparation and presentation of separate financial statements applicable to credit institutions operating in Vietnam. These standards and statutory requirements may differ in some material respects from International Financial Reporting Standards and generally accepted accounting principles and standards in other countries. Accordingly, the accompanying separate financial statements are not intended to present the unconsolidated financial position and unconsolidated results of operations and unconsolidated cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices applicable to credit institutions.

The Bank has also prepared consolidated financial statements of the Bank and its subsidiaries (collectively referred to as "the Group") in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements on the preparation and presentation of consolidated financial statements applicable to credit institutions operating in Vietnam. These separate financial statements should be read in conjunction with the Group's consolidated financial statements for the year ended 31 December 2024 in order to obtain full information on the consolidated financial position and the consolidated results of operations and the consolidated cash flows of the Group as a whole.

(b) Basis of measurement

The separate financial statements, except for the separate statement of cash flows, are prepared on the accrual basis using the historical cost concept. The separate statement of cash flows is prepared using the direct method.

(c) Annual accounting period

The annual accounting period of the Bank is from 1 January to 31 December.

(d) Accounting and presentation currency

The Bank's accounting currency is Vietnam Dong ("VND"). The separate financial statements are prepared and presented in VND rounded to the nearest million ("VND million").

(e) Form of records applied

The Bank uses accounting software to record its transactions.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 BASIS OF PREPARATION (continued)

(f) Changes in accounting policies

Application of Circular No. 31/2024/TT-NHNN and Decree No. 86/2024/ND-CP

On 30 June 2024, the SBV issued Circular No. 31/2024/TT-NHNN regulating the classification of assets in operation of commercial banks, non-bank credit institutions, and foreign banks' branches ("Circular 31"). Circular 31 takes effect from 1 July 2024.

On 11 July 2024, the Government issued Decree No. 86/2024/ND-CP regulating the credit loss allowance level, allowance method and utilisation of allowance in operation of credit institutions, foreign banks' branches and cases where credit institutions allocate interest receivable to be reverted ("Decree 86"). Decree 86 takes effect from 11 July 2024.

Pursuant to Circular 31, Circular No. 11/2021/TT-NHNN dated 30 July 2021 issued by the SBV regulating the credit loss allowance level, allowance method and utilisation of allowance in operation of credit institutions and foreign banks' branches ("Circular 11") is invalid from the effective date of Circular 31.

The Bank applies the provisions of Circular 31 and Decree 86 prospectively from the effective date of Circular 31 and Decree 86.

The application of requirements of Circular 31 and Decree 86 has no material impact on the Bank's separate financial statements for the year ended 31 December 2024.

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Bank in the preparation of these separate financial statements.

(a) Foreign currency transactions

All transactions are recognised in original currencies. Monetary assets and liabilities denominated in currencies other than VND are translated into VND at rates of exchange ruling at the reporting date. Transactions in currencies other than VND during the year have been translated into VND at rates ruling on transaction dates.

Foreign exchange differences arising from monthly revaluation of foreign currency trading position are recognised in the foreign exchange revaluation reserve on the separate statement of financial position at each month-end and are transferred to the separate statement of profit or loss at the year-end.

(b) Interest income and expenses

Interest income and expenses are recognised on an accrual basis, except for interest income from held-for-trading securities which is recognised in the separate statement of profit or loss upon receipt. Interest income is derecognised and recognised into off-balance sheet items when a loan becomes overdue or is not classified as Current loan as described in Note 3(f), 3(i) and 3(p) or is subject to retention of loan group as Current loan in compliance with policies of the State. Interest income from these loans is recognised in the separate statement of profit or loss upon receipt.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(c) Fee and commission income and expenses****(i) Fee and commission income**

Fee and commission income from settlement services, treasury services, insurance agency activities and other services are recognised in the separate statement of profit or loss on an accrual basis.

(ii) Fee and commission expenses

Fee and commission expenses are recognised in the separate statement of profit or loss when they are incurred.

(d) Dividend income

Cash dividends are recognised in the separate statement of profit or loss when the Bank's right to receive payment is established.

Share dividends and bonus shares are not recognised as an increase in investments corresponding with income in the separate statement of profit or loss. The Bank only keeps record of the increase in the number of shares.

Dividends received which are attributable to the period before investment acquisition date are deducted from the carrying amount of the investment.

(e) Income and expenses from sale of debts

Income and expenses from sale of debts are recognised in accordance with Circular No. 09/2015/TT-NHNN dated 17 July 2015 issued by the SBV regulating the debt trading activities of credit institutions, foreign banks' branches ("Circular 09") and Circular No. 18/2022/TT-NHNN issued by the SBV on 26 December 2022 on amendments to certain articles of Circular 09.

For debts recognised on the balance sheet

- Where the selling price is higher than its book value, the difference is recognised as income in the separate statement of profit or loss;
- Where the selling price is lower than its book value, the difference is compensated from the individual or collective indemnity (in case of the loss being determined to be caused by any individual or collective and the compensation therefore is required in accordance with regulations), from the insurance claim, from the allowance for losses which has been appropriated in expenses and the financial reserve, the remaining deficit is recognised as expenses in the separate statement of profit or loss.

For debts recognised as off-balance sheet items or derecognised from off-balance sheet items

The proceeds from sale of debts are recognised as other income in the separate statement of profit or loss.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Loans to customers

(i) *Measurement and recognition of loans to customers*

Short-term loans are those with repayment term within one year from the loan disbursement date; medium-term loans are those with repayment term over one year to five years from the loan disbursement date and long-term loans are those with repayment term of more than five years from the loan disbursement date.

Loans to customers are stated at the amount of principal outstanding less allowance for credit losses.

(ii) *Classification of loans to customers*

Before 1 July 2024, loan classification is determined in accordance with Circular 11.

From 1 July 2024, loan classification is determined in accordance with Circular 31.

The Bank obtained approval of the SBV to classify loans to customers in accordance with the qualitative method as permitted in Official letter No. 6524/NHNN-TTGSNH dated 27 August 2010.

The Bank classifies loans to customers in accordance with the quantitative method as stipulated in Article 10 of Circular 31. In case where there is difference between the result of loan group classified in accordance with the qualitative method and the quantitative method then such loans to customers are required to be classified into loan group with higher level of risk.

Loan classification in accordance with Article 11 of Circular 31

Loans to customers are classified into five loan groups based on the internal rating system as follows:

Classification per the Bank's internal rating system	Loan classification per Circular 31
AAA, AA, A credit rating	Group 1 - Current loans
BBB, BB, B credit rating	Group 2 - Special-mentioned loans
CCC, CC credit rating	Group 3 - Sub-standard loans
C credit rating	Group 4 - Doubtful loans
D credit rating	Group 5 - Loss loans

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Loans to customers (continued)

(ii) Classification of loans to customers (continued)

Loan classification in accordance with Article 10 of Circular 31

Loans to customers are classified into five loan groups in accordance with the collection status and the quantitative method as follows:

Group		Overdue status
1	Current loans	(a) Current loans assessed as fully and timely recoverable, both principals and interest; or (b) Loans overdue less than 10 days and assessed as fully recoverable, both overdue principals and interest, and fully and timely recoverable, both remaining principals and interest; or (c) Loans classified into Group 1 as meeting criteria to be classified into a group with lower level of risk.
2	Special-mentioned loans	(a) Loans overdue up to 90 days, except those specified in point (b) of Current loans and those classified into a group with higher level of risk as prescribed; or (b) Loans rescheduled for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed; or (c) Loans classified into Group 2 as meeting criteria to be classified into a group with lower level of risk or loans classified into a group with higher level of risk as prescribed.
3	Sub-standard loans	(a) Loans overdue between 91 days and 180 days, except those classified into a group with higher level of risk as prescribed; or (b) Loans extended for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed; or (c) Loans having interest exempted or reduced because customers are not able to pay the interest in full according to credit contracts, except those classified into a group with higher level of risk as prescribed; or (d) Loans falling in one of the following cases that have not yet been collected within less than 30 days from the issuance date of recovery decision: <ul style="list-style-type: none"> ▪ Loans having violated regulations specified in clauses 1, 3, 4, 5, 6 of Article 134 of Law on credit institutions; or ▪ Loans having violated regulations specified in clauses 1, 2, 3, 4 of Article 135 of Law on credit institutions; or ▪ Loans having violated regulations specified in clauses 1, 2, 5, 9 of Article 136 of Law on credit institutions. (e) Loans in the collection process under inspection conclusions; or (f) Loans recovered under premature debt recovery decisions of the Bank due to customers' breach of agreements without being collected within less than 30 days from the issuance date of recovery decision; or (g) Loans classified into Group 3 as meeting criteria to be classified into a group with lower level of risk or loans classified into a group with higher level of risk as prescribed; or (h) Loans classified into Group 3 as required by the SBV corresponding to the level of risk based on inspection and supervision results and relevant credit information.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Loans to customers (continued)

(ii) Classification of loans to customers (continued)

Loan classification in accordance with Article 10 of Circular 31 (continued)

Group		Overdue status
4	Doubtful loans	(a) Loans overdue between 181 days and 360 days, except those classified into a group with higher level of risk as prescribed; or (b) Loans restructured for the first time and overdue up to 90 days according to the first restructured terms, except those classified into a group with higher level of risk as prescribed; or (c) Loans restructured for the second time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed; or (d) Loans specified in point (d) of Sub-standard loans without being collected for between 30 days and 60 days from the issuance date of recovery decisions; or (e) Loans in the collection process under inspection conclusions but being overdue up to 60 days according to recovery term; or (f) Loans recovered under premature debt recovery decisions of the Bank due to customers' breach of agreements without being collected for between 30 days and 60 days from the issuance date of recovery decisions; or (g) Loans classified into Group 4 as meeting criteria to be classified into a group with lower level of risk or loans classified into a group with higher level of risk as prescribed; or (h) Loans classified into Group 4 as required by the SBV corresponding to the level of risk based on inspection and supervision results and relevant credit information.
5	Loss loans	(a) Loans overdue more than 360 days; or (b) Loans restructured for the first time and overdue from 91 days according to the first restructured terms of repayments; or (c) Loans restructured for the second time and overdue according to the second restructured terms of repayments; or (d) Loans restructured for the third time or more, except those meeting criteria to be classified into a group with lower level of risk as prescribed; or (e) Loans specified in point (d) of Sub-standard loans without being collected for more than 60 days from the issuance date of recovery decision; or (f) Loans in the collection process under inspection conclusions but being overdue for more than 60 days according to recovery term; or (g) Loans recovered under premature debt recovery decisions of the Bank due to customers' breach of agreements without being collected for more than 60 days from the issuance date of recovery decisions; or (h) Loans to other credit institutions announced under special control status, or to foreign banks' branches of which capital and assets are blockaded; or (i) Loans classified into Group 5 as meeting criteria to be classified into a group with higher level of risk as prescribed; or (j) Loans classified into Group 5 as required by the SBV corresponding to the level of risk based on inspection and supervision results and relevant credit information.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(f) Loans to customers (continued)****(ii) Classification of loans to customers (continued)**Loan classification in accordance with Article 10 of Circular 31 (continued)

For payments on behalf under off-balance sheet commitments, the Bank classifies such debts based on the number of days past due since the date on which the Bank performs the obligations under the commitments:

- Group 3 – Sub-standard loans: if debts are overdue less than 30 days;
- Group 4 – Doubtful loans: if debts are overdue from 30 days to less than 90 days;
- Group 5 – Loss loans: if debts are overdue from 90 days or more.

Debts shall be classified in a group with lower level of risk (including Group 1) in the following cases:*Overdue debts*

- Customers have made full repayment of the overdue principal and interest (including interest on overdue principal) and the principal and interest of the following payment periods, for at least three months in respect of long-term and medium-term debts and one month in respect of short-term debts, since the date the overdue principal and interest are fully repaid;
- There are documents and records proving that customers have paid the debt; and
- The Bank has sufficient basis of information and documents to assess and to conclude that customers are capable of fully repaying the principal and interest in a timely manner.

Restructured debts

- Customers have made full repayment of the principal or interest under the restructured repayment term, for at least three months in respect of long-term and medium-term debts and one month in respect of short-term debts, since the date the principal or interest under the restructured repayment term are fully paid;
- There are documents and records proving that customers have paid the debt; and
- The Bank has sufficient basis of information and documents to assess and to conclude that customers are capable of fully repaying the principal and interest in a timely manner.

Debts shall be classified into a group with higher level of risk in the following cases:

- Norms on profitability, solvency, ratio of debts to capital, cash flows, capability of customers to pay debts deteriorating continuously for three consecutive times of assessment or debt classification;
- Customers fail to supply fully, timely and truly information at the request of the Bank for an assessment regarding the capability of customers to pay their debts;
- Debts which have been classified into Group 2, Group 3, Group 4 for one year or longer but not qualified to classify into a group with lower level of risk.
- Debts whose credit extension is administratively sanctioned as prescribed by law.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Loans to customers (continued)

(ii) Classification of loans to customers (continued)

Non-performing loans are loans classified into Group 3, 4 and 5.

The Bank is required to use the results of loan classification as provided by the National Credit Information Center of Vietnam ("the CIC") to classify its loans to customers into a group with higher level of risk as determined by the Bank and provided by the CIC.

Where a customer owes more than one debt to the Bank, and has any debt classified into a group with higher level of risk, the Bank classifies the remaining debts of such customer into such group with higher level of risk.

Where the Bank participates in a syndicated loan, the Bank reclassifies all debts (including the outstanding syndicated loan) of the customer into the highest risk group as determined by the lenders.

(iii) Allowance for losses on loans to customers

Before 11 July 2024, allowance for losses on loans to customers is determined in accordance with Circular 11.

From 11 July 2024, allowance for losses on loans to customers is determined in accordance with Decree 86.

Allowance for losses on loans to customers includes specific allowance and general allowance.

Specific allowance

Specific allowance for losses on loans to customers is calculated using set rates applied to each loan group as follows:

	Allowance rates
Group 1 - Current loans	0%
Group 2 - Special-mentioned loans	5%
Group 3 - Sub-standard loans	20%
Group 4 - Doubtful loans	50%
Group 5 - Loss loans	100%

Specific allowance is calculated based on the borrower's loan balance on the last day of each month less the discounted value of collateral assets.



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Loans to customers (continued)

(iii) Allowance for losses on loans to customers (continued)

Specific allowance (continued)

Maximum discounted ratio of collateral assets is determined as follows:

Type of collateral assets	Maximum discounted ratio
(a) Deposits, certificates of deposit from customers in VND at the Bank	100%
(b) Government bonds, gold billets in accordance with law on gold trading activities; deposits, certificates of deposit from customers in foreign currencies at the Bank	95%
(c) Municipal bonds, Government-guaranteed bonds; negotiable instruments, bonds issued by the Bank; deposits, certificates of deposit issued by other credit institutions: <ul style="list-style-type: none"> • With a remaining term of less than 1 year • With a remaining term of between 1 year to 5 years • With a remaining term of over 5 years 	95% 85% 80%
(d) Securities issued by other credit institutions and listed on a stock exchange	70%
(e) Securities issued by enterprises and listed on a stock exchange	65%
(f) Unlisted securities and valuable papers, except for the types of securities specified in (c), issued by other credit institutions registered for listing on a stock exchange;	50%
Unlisted securities and valuable papers, except for the types of securities specified in (c), issued by other credit institutions not listing stock on a stock exchange	30%
(g) Unlisted securities and valuable papers issued by enterprises registered for listing on a stock exchange;	30%
Unlisted securities and valuable papers issued by enterprises not registered for listing on a stock exchange	10%
(h) Real estates	50%
(i) Others	30%

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(f) Loans to customers (continued)****(iii) Allowance for losses on loans to customers (continued)**Specific allowance (continued)

Collateral assets with value of VND50 billion or more against loans to the Bank's related parties or other parties as prescribed in Article 135 of the Law on Credit Institutions and collateral assets with value of VND200 billion or more which are movable assets, real estate and others, excluding gold billets, securities, Government bonds, municipal bonds, Government-guaranteed bonds, registered and listed enterprise bonds, deposits, certificates of deposit, must be valued by a licenced valuing organisation. Other than these cases, collateral assets are valued in accordance with the Bank's internal policy and process.

Collateral assets that do not satisfy the conditions as specified in Clause 4 and Clause 5, Article 4 of Decree 86 are deemed to have zero value.

General allowance

General allowance is made at 0.75% of the outstanding balance of loans to customers on the last day of each month, excluding the total balance of loans to customers which are classified as loss loans.

(iv) Writing off loans to customers classified as bad debts

Loans are written off at the discretion of the Bank's Risk Resolution Committee when all reasonable efforts for recovery of bad debts, including legal actions, have been exhausted.

Loans to customers are written off against allowance when loans to customers have been classified into Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being enterprises) or borrowers are deceased or missing (for borrowers being individuals).

Loans written off against allowance are recognised as off-balance sheet items for following up and collection. The amount collected from previously written-off loans, including the amount from sales of collaterals against those loans, is recognised in the separate statement of profit or loss upon receipt.

(v) Debt restructuring, exemption or reduction of interest, fees and retention of loan group

Debt restructuring, exemption or reduction of interest, fees and retention of loan group to assist customers affected by the Covid-19 pandemic are carried out in accordance with Circular No. 01/2020/TT-NHNN dated 13 March 2020 issued by the SBV guiding credit institutions and foreign banks' branches on debt restructuring, exemption or reduction of interest, fees and retention of loan group to assist customers affected by the Covid-19 pandemic ("Circular 01"), Circular No. 03/2021/TT-NHNN ("Circular 03") and Circular No. 14/2021/TT-NHNN ("Circular 14") issued by the SBV on 2 April 2021 and 7 September 2021, respectively, on amendments to certain articles of Circular 01. Debt restructuring, exemption or reduction of interest, fees and retention of loan group to assist customers affected by the Covid-19 pandemic in accordance with Circular 01, Circular 03 and Circular 14 were made until 30 June 2022.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(f) Loans to customers (continued)

(v) *Debt restructuring, exemption or reduction of interest, fees and retention of loan group (continued)*

Debt restructuring and retention of loan group to assist customers facing financial difficulties in business activities and in repaying consumer loans are carried out in accordance with Circular No. 02/2023/TT-NHNN dated 23 April 2023 issued by the SBV guiding credit institutions and foreign banks' branches on debt restructuring and retention of loan group to assist customers in difficulties ("Circular 02") and Circular No. 06/2024/TT-NHNN ("Circular 06") dated 18 June 2024 issued by the SBV on amendments to certain articles of Circular 02. Accordingly, the Bank shall apply debt restructuring and retention of loan group at the nearest time prior to the debt restructuring if the debt satisfies the following conditions:

- The debt was granted before 24 April 2023 under lending agreements, and the principal and/or interest has to be repaid within the period from 24 April 2023 to 31 December 2024;
- The outstanding debt to be rescheduled is undue or overdue up to 10 days from the repayment date;
- The Bank determines that the borrower is unable to repay the principal and/or interest on schedule under the signed agreement due to decrease in revenue or income, but is capable of fully repaying the principal and/or interest under the restructured repayment term.

(vi) *Additional specific allowance for losses on loans to customers whose debts are restructured, exempted or reduced of interest and fees, retention of loan group*

The Bank makes additional specific allowance for losses on loans to customers whose debts are restructured in accordance with Circular 03 and Circular 02 as follows:

Additional specific allowance is determined as follows:

Additional specific allowance = A - B

Whereas:

- A: Specific allowance made for all the outstanding debts of customers according to the loan classification regulated by Circular 31 (Note 3(f)(ii)).
- B: Specific allowance made for all the outstanding debts of customers according to the loan classification regulated by Circular 01, Circular 03, Circular 14 and Circular 02 (Note 3(f)(v)).

If the aforementioned additional specific allowance in accordance with Circular 03 is positive, the Bank makes additional specific allowance as follows:

- By 31 December 2021: At least 30% of the additional specific allowance.
- By 31 December 2022: At least 60% of the additional specific allowance.
- By 31 December 2023: 100% of the additional specific allowance.

If the aforementioned additional specific allowance in accordance with Circular 02 is positive, the Bank makes additional specific allowance as follows:

- By 31 December 2023: At least 50% of the additional specific allowance.
- By 31 December 2024: 100% of the additional specific allowance.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(g) Off-balance sheet commitments

Off-balance sheet commitments consist of guarantees, settlement acceptance and irrevocable loan commitments.

Off-balance sheet commitments are classified into five groups as follows:

Group		Definition
1	Current commitments	▪ Commitments which, according to the Bank's assessment, could be fully settled when they fall due.
2	Special-mentioned commitments	▪ Commitments which, according to the Bank's assessment, could be fully settled when they fall due but there are indicators of declining capability to settle the commitments.
3	Sub-standard commitments	▪ Commitments which, according to the Bank's assessment, could not be fully settled when they fall due.
4	Doubtful commitments	▪ Commitments which, according to the Bank's assessment, are not highly probably settled by customers.
5	Loss commitments	▪ Commitments which, according to the Bank's assessment, could not be settled.

The classification of off-balance sheet commitments is conducted solely for risk management, credit quality supervision of credit granting activities. No provision is made for off-balance sheet commitments, except where the Bank has been required to make payment under the guarantee contract, in which case the payment on behalf is classified and allowance is made in accordance with the accounting policy as described in Note 3(f)(ii) and 3(f)(iii).



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(h) Held-for-trading securities***Classification*

Held-for-trading securities are debt securities or equity securities acquired principally for the purpose of selling in the short-term, not over one year, for the purpose of short-term profit-taking.

Recognition

The Bank recognises held-for-trading securities on the date it becomes a party to the contractual provisions of these securities (trade date accounting).

Measurement

Held-for-trading securities which are certificates of deposit and unlisted bonds are stated at cost less allowance for credit losses. Credit risk classification of these investments and allowance thereof are made in accordance with the same accounting policy applied for loans to customers as described in Note 3(f)(ii) and 3(f)(iii). According to Decree 86, the Bank does not make general allowance for certificates of deposit and bonds issued by other credit institutions.

Other held-for-trading securities are stated at cost less allowance for diminution in value. Allowance for diminution in value is made when the market value is lower than the book value. The Bank does not make allowance for diminution in value of Government bonds, Government-guaranteed bonds and municipal bonds.

Interest income during the holding period of held-for-trading securities is recognised in the separate statement of profit or loss upon receipt.

The allowance for credit losses and allowance for diminution in value of held-for-trading securities as described above are reversed if the recoverable amount of the securities subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

Derecognition

Held-for-trading securities are derecognised when the rights to receive cash flows from these securities have expired or the Bank has transferred substantially all risks and rewards of ownership.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(i) Investment securities****(i) Available-for-sale securities**Classification

Available-for-sale securities are debt securities or equity securities which are intended to be held for an indefinite period and may be sold at any time.

Recognition

The Bank recognises available-for-sale securities on the date it becomes a party to the contractual provisions of these securities (trade date accounting).

Measurement

Available-for-sale securities which are certificates of deposit and unlisted bonds are stated at cost less allowance for credit losses. Credit risk classification of these investments and allowance thereof are made in accordance with the same accounting policy applied for loans to customers as described in Note 3(f)(ii) and 3(f)(iii). According to Decree 86, the Bank does not make general allowance for certificates of deposit and bonds issued by other credit institutions.

Other available-for-sale securities are stated at cost less allowance for diminution in value. Allowance for diminution in value is made when the market value is lower than the book value. The Bank does not make allowance for diminution in value of Government bonds, Government-guaranteed bonds and municipal bonds.

Premiums and discounts arising from purchases of available-for-sale debt securities are amortised to the separate statement of profit or loss using the straight-line method over the period from the acquisition date to the maturity date, in cases these available-for-sale debt securities would be sold before their maturity dates, the unamortised premiums and discounts are recognised fully in the separate statement of profit or loss at the sale date.

Post-acquisition interest income of available-for-sale securities is recognised in the separate statement of profit or loss on an accrual basis, except for debt securities not classified as Group 1. Interest income received which is attributable to the period before acquisition date of available-for-sale securities is deducted from the carrying amount of available-for-sale securities.

The allowance for credit losses and allowance for diminution in value of available-for-sale securities as described above are reversed if the recoverable amount of the securities subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

Derecognition

Available-for-sale securities are derecognised when the rights to receive cash flows from these securities have expired or the Bank has transferred substantially all risks and rewards of ownership.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(i) Investment securities (continued)****(ii) Held-to-maturity securities**Classification

Held-to-maturity securities are debt securities with fixed or determinable payments and fixed maturities where the Bank's management has the positive intention and ability to hold until maturity.

Recognition

The Bank recognises held-to-maturity securities on the date it becomes a party to the contractual provisions of these securities (trade date accounting).

Measurement

Held-to-maturity securities which are certificates of deposit and unlisted bonds are stated at cost less allowance for credit losses. Credit risk classification of these investments and allowance thereof are made in accordance with the same accounting policy applied for loans to customers as described in Note 3(f)(ii) and 3(f)(iii). According to Decree 86, the Bank does not make general allowance for certificates of deposit and bonds issued by other credit institutions.

Other held-to-maturity securities are stated at cost less allowance for diminution in value. Allowance for diminution in value is made based on the recoverability of held-to-maturity securities.

Premiums and discounts arising from purchases of held-to-maturity securities are amortised to the separate statement of profit or loss using the straight-line method over the period from the acquisition date to the maturity date.

Post-acquisition interest income of held-to-maturity securities is recognised in the separate statement of profit or loss on an accrual basis, except for debt securities not classified as Group 1. Interest income received which is attributable to the period before acquisition date of held-to-maturity securities is deducted from the carrying amount of held-to-maturity securities.

The allowance for credit losses and allowance for diminution in value of held-to-maturity securities as described above are reversed if the recoverable amount of the securities subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

Derecognition

Held-to-maturity securities are derecognised when the rights to receive cash flows from these securities have expired or the Bank has transferred substantially all risks and rewards of ownership.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(j) Investments in subsidiaries**

Subsidiaries are companies controlled by the Bank.

Investments in subsidiaries are stated at cost less allowance for diminution in value in the separate financial statements of the Bank. Allowance for diminution in value is made when there is an indicator of devaluation in investments. Accordingly, the allowance is equal to the difference between the total contributed capital and the owners' equity multiplied (x) by the proportion of the Bank's actual contributed capital to the total contributed capital of the investors. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

(k) Other long-term investments**Classification**

Other long-term investments are investments in equity instruments where the Bank has no control or significant influence. These investments must have a period of holding, recovering or paying off more than one year.

Recognition

The Bank recognises other long-term investments on the date it becomes a party to the contractual provisions of these investments (trade date accounting).

Measurement

These long-term investments are stated at cost less allowance for diminution in value. Allowance for diminution in value is made when there is an indicator of devaluation in investments with allowance calculation as described in Note 3(j). An allowance is reversed when the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

Derecognition

Other long-term investments are derecognised when the rights to receive cash flows from these investments have expired or the Bank has transferred substantially all risks and rewards of ownership.

(l) Derivative financial instruments**(i) Currency forward and currency swap contracts**

Currency forward and currency swap contracts are recognised at contract value in the separate financial statements. Differences between the currency amounts which are committed to buy/sell at the contractual exchange rate and the buy/sell committed currency amounts translated at the spot exchange rate at the effective dates of the currency forward contracts and currency swap contracts are amortised to the separate statement of profit or loss on a straight-line basis over the terms of the contracts.

Currency forward contracts are revalued at the spot exchange rate at the month-end. Any unrealised gains/losses are recognised in the foreign exchange revaluation reserve on the separate statement of financial position at each month-end and are transferred to the separate statement of profit or loss at the year-end.



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(l) Derivative financial instruments (continued)****(ii) Cross currency swap contracts**

Cross currency swap contracts are recognised at contract value in the separate financial statements. The balance with foreign currency positions is revalued at the spot exchange rate at month-end. Any unrealised gains/losses are recognised in the foreign exchange revaluation reserve on the separate statement of financial position at each month-end and are transferred to the separate statement of profit or loss at the year-end. Income earned and expenses incurred are recognised in the separate statement of profit or loss on an accrual basis.

(iii) Currency option contracts

The committed value in currency option contracts is not recognised in the separate statement of financial position. Any paid or received option premium is recognised as deferred expense or revenue and amortised to the separate statement of profit or loss on a straight-line basis over the contractual terms.

Currency option contracts are revalued at the spot exchange rate at the month-end. Any unrealised gains/losses are recognised in the foreign exchange revaluation reserve on the separate statement of financial position at each month-end and are transferred to the separate statement of profit or loss at the year-end.

(m) Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specific date in the future are recognised in the separate statement of financial position. The proceeds from these agreements are recognised as a liability on the separate statement of financial position and the difference between selling price and the committed repurchase price is amortised to the separate statement of profit or loss using the straight-line method over the contractual term.

Securities purchased under agreements to resell at a specific date in the future are not recognised in the separate statement of financial position. The cash payment under the agreements is recognised as a loan on the separate statement of financial position and the difference between the purchase price and committed reselling price is amortised to the separate statement of profit or loss using the straight-line method over the contractual term.

(n) Gold

Gold is revalued at the spot exchange rate at each month-end. Differences from the revaluation are recognised in the foreign exchange revaluation reserve on the separate statement of financial position at each month-end and are transferred to the separate statement of profit or loss at the year-end.

(o) Cash and cash equivalents

For the presentation of the separate statement of cash flows, cash and cash equivalents comprise cash on hand, gold and gemstones, demand deposits at the SBV, treasury bills and other short-term valuable papers qualified to be discounted at the SBV, securities which have maturity date within three months from purchase date, and demand deposits and term deposits with other credit institutions with original maturity of three months or less.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(p) Deposits with and loans to other credit institutions****(i) Deposits with other credit institutions**

Deposits with other credit institutions include demand deposits and term deposits.

Demand deposits with other credit institutions are stated at the amount of principal outstanding.

Term deposits with other credit institutions are stated at the amount of principal outstanding less specific allowance.

In accordance with Circular No. 21/2012/TT-NHNN dated 18 June 2012 issued by the SBV ("Circular 21") and Circular No. 01/2013/TT-NHNN dated 7 January 2013 issued by the SBV to amend and supplement Circular 21, credit institutions are only allowed to undertake deposits for which the maximum term is three months with other credit institutions.

Credit risk classification of term deposits with other credit institutions and allowance thereof are made in accordance with those accounting policies on loans to other credit institutions as described in Note 3(p)(ii).

(ii) Loans to other credit institutions

Loans to other credit institutions are loans with original term of less than one year. Original term of loans to finance leasing company that is a subsidiary of the Bank can be more than or equal to one year.

Loans to other credit institutions are stated at the amount of principal outstanding less specific allowance.

Specific allowance is calculated based on each other credit institution's loan balance on the last day of each month less the discounted value of collateral assets. The discounted value of collateral assets is determined in accordance with the principles as set out in Decree 86 as described in Note 3(f)(iii).

The Bank classifies loans to other credit institutions in accordance with the quantitative method as stipulated in Article 10 of Circular 31. Loan classification and specific allowance for losses on loans to other credit institutions are determined in accordance with those accounting policies applied to loans to customers as described in Note 3(f)(ii) and Note 3(f)(iii).

The Bank is required to use the results of loan classification as provided by the CIC to classify loans to other credit institutions in accordance with the same accounting policy applied to loans to customers as described in Note 3(f)(ii).

According to Decree 86, the Bank is not required to make general allowance for term deposits with and loans to other credit institutions.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(q) Receivables

Receivables classified as credit-risk bearing assets are carried at cost less allowance for credit losses. Credit risk classification and allowance for credit losses of these receivables are made in accordance with the accounting policy applied to loans to customers as described in Note 3(f)(ii) and 3(f)(iii).

Other receivables not classified as credit-risk bearing assets are recorded at cost less allowance for losses. These receivables are considered for allowance for losses based on the expected loss level that may occur or on the overdue status of the receivables with specific allowance rates as follows:

Overdue status	Allowance rates
From 6 months to below 1 year	30%
From 1 year to below 2 years	50%
From 2 years to below 3 years	70%
From 3 years and above	100%

Allowance for losses on receivables not classified as credit-risk bearing assets is recognised as operating expenses in the separate statement of profit or loss when incurred.

(r) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the Bank's financial position and results of operations and the nature and extent of risk arising from financial instruments, the Bank classifies its financial instruments as follows:

(i) Financial assets

Financial assets at fair value through profit or loss

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is classified by the Bank as held for trading. A financial asset is classified as held for trading if:
 - it is acquired principally for the purpose of selling it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - it is a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Bank as a financial asset at fair value through profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Bank has the positive intention and ability to hold to maturity, other than:

- those that the Bank, upon initial recognition, designates as financial assets at fair value through profit or loss;
- those that the Bank designates as available-for-sale; and
- those that meet the definition of loans and receivables.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(r) Classification of financial instruments (continued)****(i) Financial assets (continued)**Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Bank intends to sell immediately or in the near term, which are classified as held for trading and those that the Bank, on initial recognition, designates as financial assets at fair value through profit or loss;
- that the Bank, upon initial recognition, designates as available-for-sale; or
- for which the Bank may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as available-for-sale.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or those are not classified as:

- loans and receivables;
- held-to-maturity investments; or
- financial assets at fair value through profit or loss.

(ii) Financial liabilitiesFinancial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by the Bank as held for trading. A financial liability is classified as held for trading if:
 - it is incurred principally for the purpose of repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - it is a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Bank as a financial liability at fair value through profit or loss.



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(r) Classification of financial instruments (continued)

(ii) *Financial liabilities (continued)*

Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

The classification of financial assets and financial liabilities described above is solely for presentation and disclosure purposes and is not intended to be a description of how the financial instruments are measured. Accounting policies for measurement of financial assets and financial liabilities are disclosed in other relevant notes.

(s) Tangible fixed assets

(i) *Cost*

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises of its purchase price, import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is charged to the separate statement of profit or loss in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) *Depreciation*

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets. The estimated useful lives are as follows:

Buildings and structures	40 years
Office equipment	3 - 5 years
Motor vehicles	10 years
Others	5 years

(iii) *Disposals*

Gains and losses on disposals of tangible fixed assets are determined by comparing net disposal proceeds with the carrying amounts. The disposal proceeds are recognised as income in the separate statement of profit or loss. Expenses on disposal of assets and the carrying amounts are recognised as expenses in the separate statement of profit or loss.

(t) Intangible fixed assets

(i) *Land use rights*

Land use rights comprise those acquired in a legitimate transfer with definite and indefinite terms. Definite land use rights are stated at cost and are amortised on a straight-line basis based on the Bank's permissible useful life. Indefinite land use rights are stated at cost and without amortisation. Initial cost of a land use right comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(t) Intangible fixed assets (continued)****(ii) Software**

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and recognised as an intangible fixed asset. Software costs are amortised on a straight-line basis over 3 to 8 years.

(iii) Disposals

Gains and losses on disposals of intangible fixed assets are determined by comparing net disposal proceeds with the carrying amounts. The disposal proceeds are recognised as income in the separate statement of profit or loss. Expenses on disposal of assets and the carrying amounts are recognised as expenses in the separate statement of profit or loss.

(u) Deposit from customers

Deposits from customers are stated at cost.

(v) Valuable papers issued

Valuable papers issued are stated at cost. The cost of valuable papers issued includes the proceeds from the issuance less any direct costs.

(w) Other payables

Other payables are stated at cost.

(x) Provisions

A provision is recognised if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are not recognised for future operating losses.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(y) Severance allowance**

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more ("the eligible employee") voluntarily terminates his/her labour contract, the Bank is required to pay the eligible employee severance allowance. The working period used for the calculation of severance allowance is the period during which the employee actually works for the Bank less the period during which the employee participates the unemployment insurance scheme in accordance with the labour regulations and the period during which the severance allowance was paid. The average monthly salary for calculating the severance allowance is based on the average salary of the six consecutive months preceding the resignation of the eligible employees.

On 9 August 2013, the Ministry of Finance issued Official letter No. 10441/BTC-TCDN guiding the Bank on accounting for severance allowance. According to this Official letter, the Ministry of Finance does not allow the Bank to make provision for severance allowance to employees. Accordingly, the Bank discontinues making any provision for severance allowance since 2013. The Bank pays severance allowance to the eligible employee at the time the employee leaves.

Pursuant to Law on Social Insurance, effective from 1 January 2009, the Bank and its employees are required to contribute to the unemployment insurance fund managed by the Vietnam Social Insurance Agency.

(z) Taxation

Income tax comprises current and deferred tax. Income tax is recognised in the separate statement of profit or loss except for the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided using the financial position statement method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the end of the annual accounting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the asset can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

(aa) Capital

(i) Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(ii) Share premium

On receipt of capital from shareholders, the difference between issue price and par value of issued shares is recognised as the share premium account in equity.

(iii) Treasury shares

When the Bank repurchases its ordinary shares, these repurchased shares are cancelled and the Bank recognises a reduction in its charter capital, except for cases as stipulated by law. The difference between the par value of the repurchased shares and the amount of consideration paid, which includes directly attributable costs, less taxes, is recognised in share premium.

(bb) Reserves

Before 1 July 2024

According to Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government ("Decree 93"), the Bank is required to make the following reserves before distribution of profits:

	Percentage of annual allocation	Maximum balance
Reserve to supplement charter capital	5% of profit after tax	Charter capital
Financial reserve	10% of profit after tax	Not specified

From 1 July 2024

Pursuant to the Law on Credit Institutions No. 32/2024/QH15 issued by the National Assembly of Vietnam on 18 January 2024 and Decree 93, the Bank is required to make the following reserves before distribution of profits:

	Percentage of annual allocation	Maximum balance
Reserve to supplement charter capital	10% of profit after tax	Charter capital
Financial reserve	10% of profit after tax	Not specified

The purpose of financial reserve is to offset residual asset losses and damage occurring in the course of business after such losses have been offset with compensation paid by the organisations, individuals who caused them, indemnity paid by insurers and with the allowance set up and accounted for in expenses, and shall be used for other purposes in accordance with the law.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(bb) Reserves (continued)**

Reserves are used for specific purposes and are appropriated from profit after tax of the Bank according to the proportion prescribed below:

- Reserve to supplement charter capital;
- Financial reserve;
- Other reserves: appropriated according to the resolution of the General Meeting of Shareholders. The appropriation rates of these reserves are determined by the General Meeting of Shareholders in accordance with the law.

The remaining profit after the appropriation of the above reserves, bonus and welfare fund and distribution of dividends to the shareholders is recognised as retained profit of the Bank.

The Bank only appropriates reserve to supplement charter capital and financial reserve at the year-end.

(cc) Other funds**(i) Bonus and welfare fund**

Bonus and welfare fund is established by appropriating from profit after tax according to the resolution of the General Meeting of Shareholders. Bonus and welfare fund is recognised as other liabilities in the separate statement of financial position.

(ii) Science and technology development fund

Science and technology development fund is established according to the resolution of the General Meeting of Shareholders and recognised as other liabilities in the separate statement of financial position. The appropriation, expenditure and supervision of the science and technology development fund are carried out in accordance with Decree No. 95/2014/ND-CP dated 17 October 2014 issued by the Government, Circular No. 05/2022/TT-BKHCH dated 31 May 2022 and Circular No. 67/2022/TT-BTC dated 7 November 2022. The Bank recognises the appropriation of science and technology development fund as operating expenses in the separate statement of profit or loss, which does not exceed 10% of taxable income. At the end of five-year period starting from recognition date, when the fund is not spent up to 70% of the total of the fund appropriated by the Bank and the fund financed by others (if any), the Bank must pay corporate income tax imposed on unused amount of the fund and an interest on such corporate income tax.

(dd) Related parties

Related parties include enterprises and individuals that directly or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Bank. The enterprises in which the Bank has significant influence, enterprises and individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the Bank, key management personnel, including members of Board of Directors, members of Supervisory Board, members of Board of Management, Chief Financial Officer, Chief Accountant and close members of the family of these individuals and companies which these individuals directly or indirectly hold significant voting right or have significant influence over also constitute related parties.

In considering each possible related party relationship, the Bank pays attention to the substance of the relationship, and not merely the legal form.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****(ee) Fiduciary activities**

The Bank acts as a trustee and in other fiduciary capacities that result in the holding or placing of assets, loans on behalf of individuals, corporates and other credit institutions.

The value of investment trusts and trust funds received are recognised when the trust contracts have been signed and trust funds have been realised. Rights and obligations of the truster and trustee relating to profit and profit sharing, trust fee, other rights and obligations are in compliance with the terms of the contracts.

Based on the terms of the contracts, fiduciary activities of the Bank comprise:

Fiduciary activities at no risk

The Bank acts as a trustee and in other fiduciary capacities that result in holding assets on behalf of customers, entrusted investments and loans to customers in which entrusters bear all risks of fiduciary activities. These assets are excluded from the Bank's separate financial statements as they are not assets of the Bank. Entrusted funds received from entrusters but not yet disbursed are recognised as other liabilities in the separate statement of financial position. After the disbursement is made, the Bank recognises entrusted funds as off-balance sheet items in accordance with Circular No. 30/2014/TT-NHNN dated 6 November 2014 issued by the SBV.

Fiduciary activities at risk

The Bank acts as a trustee receiving funds from the Government, international and other credit institutions to make loans to customers. The Bank recognises the received fund as an entrusted fund and recognises loans to customers financed by these funds as its loans to customers. The accounting policies of these loans to customers are in accordance with the regulations issued by the SBV (Note 3(f)).

(ff) Dividend distribution

Dividend distribution to the Bank's shareholders is recognised as a liability in the separate financial statements when the dividends are approved in accordance with regulations of the Bank's Charter.

(gg) Segment reporting

A segment is a distinguishable component of the Bank that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. The Bank's primary format for segment reporting is based on geographical segment. The Bank's secondary format for segment reporting is based on business segment. Currently, the Bank operates in one business segment which is finance and banking.

(hh) Nil balance

Items or balances required by Circular No. 49/2014/TT-NHNN dated 31 December 2014 issued by the SBV ("Circular 49") and Circular No. 27/2021/ TT-NHNN dated 31 December 2021 issued by the SBV to amend and to supplement Circular 49 that are not shown in these separate financial statements indicate nil balances.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

4 CASH ON HAND, GOLD AND GEMSTONES

	31.12.2024 VND million	31.12.2023 VND million
Cash in VND	4,720,094	5,633,971
Cash in foreign currencies	925,212	1,008,690
Gold	51,138	266,634
	<u>5,696,444</u>	<u>6,909,295</u>

5 BALANCES WITH THE STATE BANK OF VIETNAM

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits with the SBV		
- In VND	20,081,124	9,301,075
- In foreign currencies	5,138,337	9,203,634
	<u>25,219,461</u>	<u>18,504,709</u>

Under the SBV's regulations relating to the compulsory reserve, credit institutions are required to maintain a compulsory reserve requirement ("CRR") in demand deposits with the SBV. The monthly average balance of demand deposits with the SBV must not be less than relevant CRR rates multiplied by the preceding month's average balances of deposits in scope as follows:

CRR rates applicable to preceding month's average balances of:

	31.12.2024 %	31.12.2023 %
<i>Deposits from customers:</i>		
- Deposits in foreign currencies with term of less than 12 months	8.00	8.00
- Deposits in foreign currencies with term of 12 months and above	6.00	6.00
- Deposits in VND with term of less than 12 months	3.00	3.00
- Deposits in VND with term of 12 months and above	1.00	1.00
<i>Deposits from foreign credit institutions:</i>		
- Deposits in foreign currencies	<u>1.00</u>	<u>1.00</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

6 DEPOSITS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

6.1 Deposits with and loans to other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Deposits with other credit institutions		
Demand deposits		
- In VND	33,705	11,946
- In foreign currencies	21,087,663	19,693,858
	<u>21,121,368</u>	<u>19,705,804</u>
Term deposits (i)		
- In VND	80,935,000	71,485,250
- In foreign currencies	4,780,088	18,930,600
	<u>85,715,088</u>	<u>90,415,850</u>
	<u>106,836,456</u>	<u>110,121,654</u>
Loans to other credit institutions		
In VND	1,216,832	1,104,329
<i>In which:</i>		
- <i>Discount, rediscount</i>	100,979	229,929
Allowance for losses on loans to other credit institutions	(50,000)	(50,000)
	<u>1,166,832</u>	<u>1,054,329</u>
Total deposits with and loans to other credit institutions	<u>108,003,288</u>	<u>111,175,983</u>

(i) Included in term deposits with other credit institutions as at 31 December 2024 was VND10,000,000 million (31.12.2023: VND8,500,000 million) which was pledged as collaterals for deposits from other credit institutions with the amount of VND10,000,962 million (31.12.2023: VND8,500,000 million) (Note 36.2).

6.2 Analysis of quality of term deposits with and loans to other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current loans	86,881,920	91,470,179
Group 5 - Loss loans	50,000	50,000
	<u>86,931,920</u>	<u>91,520,179</u>

6.3 Allowance for losses on deposits with and loans to other credit institutions

	2024 VND million	2023 VND million
Opening balance and closing balance	<u>50,000</u>	<u>50,000</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7 HELD-FOR-TRADING SECURITIES

7.1 Held-for-trading securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Government securities	841,743	1,879,766
Debt securities issued by domestic credit institutions	-	4,000,000
Total held-for-trading securities	<u>841,743</u>	<u>5,879,766</u>

7.2 Analysis of quality of held-for-trading securities classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current loans	<u>-</u>	<u>4,000,000</u>

7.3 Listing status

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Listed	841,743	1,879,766
Unlisted	-	4,000,000
	<u>841,743</u>	<u>5,879,766</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8 DERIVATIVES AND OTHER FINANCIAL ASSETS/LIABILITIES

	As at 31 December 2024			
	Total contract value (at foreign exchange rate at the contract date)	Total carrying value (at foreign exchange rate as at 31 December 2024)		
		VND million	Assets VND million	Liabilities VND million
Currency derivatives				
Currency forward contracts	2,853,216	12,995	-	12,995
Currency swap contracts	95,715,115	203,660	-	203,660
Other derivatives				
Cross currency swap contracts	8,086,677	-	(160,663)	(160,663)
	<u>106,655,008</u>	<u>216,655</u>	<u>(160,663)</u>	<u>55,992</u>
	<u><u>106,655,008</u></u>	<u><u>216,655</u></u>	<u><u>(160,663)</u></u>	<u><u>55,992</u></u>
	As at 31 December 2023			
	Total contract value (at foreign exchange rate at the contract date)	Total carrying value (at foreign exchange rate as at 31 December 2023)		
		VND million	Assets VND million	Liabilities VND million
Currency derivatives				
Currency forward contracts	1,965,933	-	(10,372)	(10,372)
Currency swap contracts	66,224,739	-	(99,489)	(99,489)
Other derivatives				
Cross currency swap contracts	3,193,859	-	(7,265)	(7,265)
	<u>71,384,531</u>	<u>-</u>	<u>(117,126)</u>	<u>(117,126)</u>
	<u><u>71,384,531</u></u>	<u><u>-</u></u>	<u><u>(117,126)</u></u>	<u><u>(117,126)</u></u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 LOANS TO CUSTOMERS

9.1 By type of loans

	31.12.2024 VND million	31.12.2023 VND million
Loans to domestic economic entities and individuals	568,990,695	480,623,656
Discounted negotiable instruments and valuable papers	269,420	180,101
Payments on behalf of customers	474,509	472,381
	<u>569,734,624</u>	<u>481,276,138</u>

9.2 By type of customers

	31.12.2024 VND million	31.12.2023 VND million
State-owned enterprises	7,161,249	3,386,333
Foreign-invested enterprises	5,330,301	2,283,108
Joint stock companies, limited liability companies and other enterprises	192,014,534	157,292,301
Co-operatives	297,737	290,601
Individuals	364,399,826	317,469,054
Others	530,977	554,741
	<u>569,734,624</u>	<u>481,276,138</u>

9.3 By loan group

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current loans	558,377,679	472,257,884
Group 2 - Special-mentioned loans	2,741,646	3,168,361
Group 3 - Sub-standard loans	917,308	938,094
Group 4 - Doubtful loans	962,977	1,041,074
Group 5 - Loss loans	6,735,014	3,870,725
	<u>569,734,624</u>	<u>481,276,138</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 LOANS TO CUSTOMERS (continued)

9.4 By term

	31.12.2024 VND million	31.12.2023 VND million
Short-term loans	383,033,650	323,329,722
Medium-term loans	15,181,227	13,766,872
Long-term loans	171,519,747	144,179,544
	<u>569,734,624</u>	<u>481,276,138</u>

9.5 By currency

	31.12.2024 VND million	31.12.2023 VND million
Denominated in VND	555,355,344	470,542,768
Denominated in foreign currencies and gold	14,379,280	10,733,370
	<u>569,734,624</u>	<u>481,276,138</u>

9.6 By business sector of customers

	31.12.2024 VND million	31.12.2023 VND million
Trading	99,711,820	85,083,564
Manufacturing and processing	35,754,650	27,901,464
Construction	20,225,083	18,024,588
Individual and community services	19,418,129	13,855,783
Real estate advisory and trading	7,486,783	5,730,095
Warehousing, transportation and communication	4,371,526	3,773,489
Hotels and restaurants	1,789,802	1,676,652
Agriculture and forestry	1,823,430	1,402,589
Training and education	695,852	677,254
Financial services	8,599,396	1,811,477
Science and technology	1,288,661	757,684
Healthcare and social assistance	805,989	682,863
Other business sectors	367,763,503	319,898,636
	<u>569,734,624</u>	<u>481,276,138</u>



NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 LOANS TO CUSTOMERS (continued)

9.7 Allowance for losses on loans to customers

	Specific allowance (i) VND million	General allowance VND million	Total VND million
As at 1 January 2023	1,651,626	3,059,804	4,711,430
Allowance made during the year (Note 31)	1,263,427	519,593	1,783,020
Allowance utilised during the year	(1,280,830)	-	(1,280,830)
As at 31 December 2023	1,634,223	3,579,397	5,213,620
Allowance made during the year (Note 31)	955,464	642,814	1,598,278
Allowance utilised during the year	(224,804)	-	(224,804)
As at 31 December 2024	2,364,883	4,222,211	6,587,094

- (i) As at 31 December 2024, the Bank made 100% additional specific allowance for losses on loans to customers whose debts were restructured and remained loan group in accordance with Circular 02 (31.12.2023: the Bank made 50% additional specific allowance for losses on loans to customers whose debts were restructured and remained loan group in accordance with Circular 02) (Note 3(f)(vi)).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10 INVESTMENT SECURITIES

10.1 Investment securities

	31.12.2024 VND million	31.12.2023 VND million
Available-for-sale securities		
Debt securities		
Government securities (i) (ii)	32,850,096	20,515,956
Debt securities issued by domestic credit institutions (i)	76,055,720	24,375,151
Equity securities		
Equity securities issued by domestic economic entities	12,661	12,661
Total available-for-sale securities	<u>108,918,477</u>	<u>44,903,768</u>
Held-to-maturity securities (excluding special bonds issued by VAMC)		
Debt securities		
Government securities (i) (ii)	11,171,766	24,853,008
Debt securities issued by domestic credit institutions (i)	1,000,000	3,706,571
Total held-to-maturity securities (excluding special bonds issued by VAMC)	<u>12,171,766</u>	<u>28,559,579</u>
Total investment securities	<u><u>121,090,243</u></u>	<u><u>73,463,347</u></u>

(i) During the financial year ended 31 December 2024, the Bank reclassified VND6,789,957 million of Government securities and VND3,206,065 million of debt securities issued by domestic credit institutions (in 2023: VND14,949,489 million of Government securities) from held-to-maturity securities to available-for-sale securities and VND500,000 million of debt securities issued by domestic credit institutions (in 2023: nil) from available-for-sale investment securities to held-to-maturity investment securities.

(ii) Included in investment securities as at 31 December 2024 were:

- VND3,165,407 million of Government securities (31.12.2023: VND4,001,997 million) which were pledged as collaterals for deposits and borrowings from other credit institutions with the amount of VND2,980,778 million (31.12.2023: VND3,444,756 million) (Note 36.2).
- VND2,564,563 million of Government securities (31.12.2023: VND2,573,042 million) which were pledged as collaterals for valuable papers issued with the amount of VND2,186,914 million (31.12.2023: VND2,183,608 million) (Note 36.2).
- VND1,426,329 million of Government securities (31.12.2023: VND1,002,628 million) which were pledged as collaterals for interbank electronic clearing transactions (Note 36.2).
- VND8,958,341 million of Government securities (31.12.2023: nil) were pledged as collaterals for borrowings from the State Bank of Vietnam with the amount of VND7,948,357 million (Note 36.2).
- VND928,105 million of Government securities (31.12.2023: nil) were pledged as collaterals for the threshold and interbank overdraft at the SBV (Note 36.2).

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10 INVESTMENT SECURITIES (continued)

10.2 Analysis of quality of investment securities classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current loans	76,055,720	28,081,722

10.3 Listing status

	31.12.2024 VND million	31.12.2023 VND million
Available-for-sale securities		
<i>Debt securities</i>		
Listed	32,850,096	20,515,956
Unlisted	76,055,720	24,375,151
	<u>108,905,816</u>	<u>44,891,107</u>
<i>Equity securities</i>		
Listed	12,661	12,661
	<u>108,918,477</u>	<u>44,903,768</u>
Held-to-maturity securities (excluding special bonds issued by VAMC)		
<i>Debt securities</i>		
Listed	12,171,766	24,853,008
Unlisted	-	3,706,571
	<u>12,171,766</u>	<u>28,559,579</u>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

11 LONG-TERM INVESTMENTS

11.1 By type of investments

	Note	31.12.2024 VND million	31.12.2023 VND million
Investments in subsidiaries	11.2	7,505,000	4,505,000
Other long-term investments	11.3	241,467	241,467
Allowance for diminution in value of long-term investments	11.4	(167,932)	(163,362)
		<u>7,578,535</u>	<u>4,583,105</u>

11.2 Investments in subsidiaries

	31.12.2024 VND million	31.12.2023 VND million
ACB Securities Company Limited	7,000,000	4,000,000
Asia Commercial Bank Asset Management Company Limited	5,000	5,000
Asia Commercial Bank Leasing Company Limited	500,000	500,000
	<u>7,505,000</u>	<u>4,505,000</u>

11.3 Other long-term investments

	31.12.2024 VND million	31.12.2023 VND million
Investments in domestic economic entities		
Listed	181,339	181,339
Unlisted	60,128	60,128
	<u>241,467</u>	<u>241,467</u>

11.4 Allowance for diminution in value of long-term investments

	VND million
As at 1 January 2023	156,573
Allowance made during the year (Note 30(i))	6,789
As at 31 December 2023	163,362
Allowance made during the year (Note 30(i))	4,570
As at 31 December 2024	<u>167,932</u>



**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12 FIXED ASSETS**12.1 Tangible fixed assets**

	Buildings and structures VND million	Office equipment VND million	Motor vehicles VND million	Others VND million	Total VND million
Historical cost					
As at 1 January 2024	2,628,117	2,707,002	582,382	179,139	6,096,640
Additions	3,723	87,224	100,765	7,079	198,791
Transfer from construction in progress (Note 13.1(ii))	296,532	-	1,355	-	297,887
Transfer from foreclosed assets	3,222	-	-	-	3,222
Disposals	(38,332)	(53,089)	(43,296)	(3,368)	(138,085)
Reclassifications (Note 12.2)	(126,577)	-	-	-	(126,577)
As at 31 December 2024	<u>2,766,685</u>	<u>2,741,137</u>	<u>641,206</u>	<u>182,850</u>	<u>6,331,878</u>
Accumulated depreciation					
As at 1 January 2024	728,825	1,656,230	312,292	147,788	2,845,135
Charge for the year	58,317	316,591	50,993	9,325	435,226
Disposals	(11,198)	(53,034)	(42,978)	(3,368)	(110,578)
As at 31 December 2024	<u>775,944</u>	<u>1,919,787</u>	<u>320,307</u>	<u>153,745</u>	<u>3,169,783</u>
Net book value					
As at 1 January 2024	<u>1,899,292</u>	<u>1,050,772</u>	<u>270,090</u>	<u>31,351</u>	<u>3,251,505</u>
As at 31 December 2024	<u>1,990,741</u>	<u>821,350</u>	<u>320,899</u>	<u>29,105</u>	<u>3,162,095</u>

Other information about tangible fixed assets was as follows:

	31.12.2024 VND million	31.12.2023 VND million
Cost of tangible fixed assets which were fully depreciated but still in use	<u>1,576,529</u>	<u>1,461,790</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

12 FIXED ASSETS (continued)

12.2 Intangible fixed assets

	Land use rights VND million	Computer software VND million	Total VND million
Historical cost			
As at 1 January 2024	1,152,201	883,529	2,035,730
Additions	-	114,163	114,163
Transfer from construction in progress (Note 13.1(ii))	631,187	29,817	661,004
Transfer from foreclosed assets	8,278	-	8,278
Disposals	(75,297)	-	(75,297)
Reclassifications (Note 12.1)	126,577	-	126,577
Other movements	(153)	-	(153)
As at 31 December 2024	1,842,793	1,027,509	2,870,302
Accumulated amortisation			
As at 1 January 2024	1,333	605,822	607,155
Charge for the year	10,419	90,227	100,646
Disposals	(1,745)	-	(1,745)
As at 31 December 2024	10,007	696,049	706,056
Net book value			
As at 1 January 2024	1,150,868	277,707	1,428,575
As at 31 December 2024	1,832,786	331,460	2,164,246

Other information about intangible fixed assets was as follows:

	31.12.2024 VND million	31.12.2023 VND million
Cost of intangible fixed assets which were fully amortised but still in use	448,257	401,739

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13 OTHER ASSETS

13.1 Receivables

	31.12.2024 VND million	31.12.2023 VND million
External receivables (i)	2,478,291	4,000,778
Construction in progress (ii)	739,670	1,168,008
Advances and internal receivables	318,561	205,789
Receivables from the State Budget	8,675	12,272
Dividend receivables	2,717	612
	<u>3,547,914</u>	<u>5,387,459</u>

(i) Included in external receivables as at 31 December 2024 were:

- Advances to suppliers with the amount of VND677,446 million (31.12.2023: VND1,119,637 million).
- Receivables from Usance Payable At Sight Letter of Credit ("UPAS L/C") with the amount of VND106,832 million (31.12.2023: VND919,265 million).

(ii) Movements of construction in progress during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	1,168,008	582,596
Additions	530,553	1,020,831
Transfer to tangible fixed assets (Note 12.1)	(297,887)	(200,705)
Transfer to intangible fixed assets (Note 12.2)	(661,004)	(234,714)
Closing balance	<u>739,670</u>	<u>1,168,008</u>

Major constructions in progress were:

	31.12.2024 VND million	31.12.2023 VND million
Office buildings	<u>616,956</u>	<u>633,974</u>

(iii) Analysis of the quality of receivables from UPAS L/C activities classified as credit-risk bearing assets:

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current loans	<u>106,832</u>	<u>(*)</u>

(*) At 31 December 2023, receivables from UPAS L/C activities with the amount of VND919,265 million were not classified as credit-risk bearing assets as the Bank applies the provisions of Circular 31 prospectively (Note 2(f)).

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

13 OTHER ASSETS (continued)

13.2 Deferred tax assets

	31.12.2024 VND million	31.12.2023 VND million
Deferred tax assets related to deductible temporary differences	17,190	33,535

Movements in deferred tax assets during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	33,535	63,966
Increase in deferred tax assets during the year (Note 32.2)	17,190	33,535
Reversal of deferred tax assets recognised in previous years (Note 32.2)	(33,535)	(63,966)
Closing balance	17,190	33,535

In 2024, deferred tax assets were calculated at the tax rate of 20% (2023: 20%).

13.3 Other assets

	31.12.2024 VND million	31.12.2023 VND million
Prepaid expenses	1,228,248	911,586
Foreclosed assets of which ownership was transferred to the Bank and awaiting for settlement (i)	-	11,500
Other assets	67,158	80,794
	<u>1,295,406</u>	<u>1,003,880</u>

(i) Foreclosed assets of which ownership was transferred to the Bank and awaiting for settlement

	31.12.2024 VND million	31.12.2023 VND million
Real estate	-	11,500

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

13 OTHER ASSETS (continued)

13.4 Allowance for losses on other assets

	31.12.2024 VND million	31.12.2023 VND million
Allowance for receivables from UPAS L/C activities	801	-
- <i>General allowance</i>	801	-
Allowance for other assets	171,850	172,693
	<u>172,651</u>	<u>172,693</u>

Movements of allowance for losses on other assets are as follows:

	VND million
As at 1 January 2023	170,936
Allowance made for other assets during the year (Note 30(i))	1,757
	<u>172,693</u>
As at 31 December 2023	172,693
General allowance made for receivables from UPAS L/C activities during the year (Note 31)	801
Allowance reversed for other assets during the year (Note 30(i))	(843)
	<u>172,651</u>
As at 31 December 2024	<u>172,651</u>

14 DUE TO THE GOVERNMENT AND THE STATE BANK OF VIETNAM

	31.12.2024 VND million	31.12.2023 VND million
Borrowings from the State Bank of Vietnam		
Borrowings pledged by valuable papers	7,948,357	-
Deposits from the State Treasury		
Demand deposits in VND	6,496	88
Total due to the Government and the State Bank of Vietnam	<u>7,954,853</u>	<u>88</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

15 DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

	31.12.2024 VND million	31.12.2023 VND million
Deposits from other credit institutions		
Demand deposits		
- In VND	134,417	86,705
- In foreign currencies	9,229	11,097
	<u>143,646</u>	<u>97,802</u>
Term deposits (i)		
- In VND	83,772,073	77,322,064
- In foreign currencies	7,706,087	3,325,674
	<u>91,478,160</u>	<u>80,647,738</u>
	<u>91,621,806</u>	<u>80,745,540</u>
Borrowings from other credit institutions		
In VND	2,982,156	2,651,188
<i>In which:</i>		
- <i>Discount, rediscount (i)</i>	2,980,778	2,644,756
In foreign currencies	389,250	919,002
	<u>3,371,406</u>	<u>3,570,190</u>
Total deposits and borrowings from other credit institutions	<u>94,993,212</u>	<u>84,315,730</u>

(i) Term deposits and borrowings from other credit institutions were secured by following assets:

	31.12.2024 VND million	31.12.2023 VND million
Term deposits with other credit institutions (Note 6.1(i))	10,000,000	8,500,000
Investment securities (Note 10.1(ii))	3,165,407	4,001,997
	<u>13,165,407</u>	<u>12,501,997</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

16 DEPOSITS FROM CUSTOMERS

16.1 By type of deposits

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits		
- In VND	109,847,227	96,772,545
- In foreign currencies	8,447,796	7,411,358
Term deposits		
- In VND	126,834,480	102,975,511
- In foreign currencies	341,510	327,629
Demand savings		
- In VND	519,602	909,014
- In foreign currencies	3,959,500	3,574,735
Term savings		
- In VND	285,702,885	268,853,817
- In foreign currencies	934,162	745,841
Margin deposits		
- In VND	2,105,337	1,517,412
- In foreign currencies	130,680	113,479
Specialised capital deposits		
- In VND	105,727	199,592
- In foreign currencies	210,841	248,320
	<u>539,139,747</u>	<u>483,649,253</u>

16.2 By type of customers

	31.12.2024 VND million	31.12.2023 VND million
State-owned enterprises	1,190,561	1,187,115
Foreign-invested enterprises	17,829,814	11,659,624
Joint-stock companies, limited liability companies and other enterprises	89,814,815	85,706,967
Cooperatives	180,422	122,186
Individuals	429,313,059	383,853,134
Others	811,076	1,120,227
	<u>539,139,747</u>	<u>483,649,253</u>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

**17 FUNDS AND ENTRUSTED INVESTMENTS RECEIVED FROM THE GOVERNMENT,
INTERNATIONAL AND OTHER CREDIT INSTITUTIONS**

	31.12.2024 VND million	31.12.2023 VND million
Funds received from Japan Bank for International Cooperation in VND (i)	15,832	26,854
Funds received from Japan Bank for International Cooperation in foreign currencies (ii)	12,176	14,680
	<u>28,008</u>	<u>41,534</u>

Funds received from Japan Bank for International Cooperation ("JBIC") are financed by the Japanese Government via JBIC. These funds are granted to small and medium enterprises with maximum period of ten years for medium-term and long-term loans and with maximum period of one year for short-term loans in accordance with the lending agreement signed between the SBV and the Bank.

- (i) Outstanding balances of funds received from JBIC in VND born annual interest rates from 3.11% to 3.83% per annum during the year 2024 (during the year 2023: from 4.90% to 6.96% per annum).
- (ii) Outstanding balances of funds received from JBIC in foreign currencies born annual interest rates of 1.91% per annum during the year 2024 (during the year 2023: 1.91% per annum).

18 VALUABLE PAPERS ISSUED

	As at 31 December 2024	
	Book value VND million	Par value VND million
Bonds		
From one-year to two-year bonds	37,399,160	37,400,000
Three-year bonds	2,069,789	2,070,000
Five-year bonds	3,814,587	3,820,000
Ten-year bonds	2,414,619	2,430,000
Certificates of deposit		
Certificates of deposit under one year	55,950,000	55,950,000
	<u>101,648,155</u>	<u>101,670,000</u>
	As at 31 December 2023	
	Book value VND million	Par value VND million
Bonds		
From one-year to two-year bonds	23,535,940	23,550,000
Three-year bonds	11,198,409	11,200,000
Five-year bonds	1,497,202	1,500,000
Ten-year bonds	2,410,852	2,430,000
Certificates of deposit		
Certificates of deposit under one year	13,750,000	13,750,000
	<u>52,392,403</u>	<u>52,430,000</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

19 OTHER LIABILITIES

	31.12.2024 VND million	31.12.2023 VND million
Internal payables	1,239,037	1,438,543
External payables	4,788,899	3,808,840
- <i>Remittances in transit</i>	376,277	289,990
- <i>Tax payables to the State Budget (Note 35)</i>	2,518,354	2,480,993
- <i>Cash held on behalf and awaiting for settlement</i>	220,289	291,442
- <i>Amount awaiting settlement</i>	1,673,979	746,415
Unearned revenue (i)	6,235,417	6,809,333
Bonus and welfare fund (ii)	847,237	448,486
Science and technology development fund (iii)	1,480,612	1,775,592
	<u>14,591,202</u>	<u>14,280,794</u>

(i) Included in unearned revenue as at 31 December 2024 was VND6,233,333 million (31.12.2023: VND6,800,000 million) of the unearned support fee from the Bank's bancassurance activities.

(ii) Bonus and welfare fund

	2024 VND million	2023 VND million
Opening balance	448,486	299,986
Addition during the year (Note 20.1)	400,000	150,000
Utilisation during the year	(1,249)	(1,500)
Closing balance	<u>847,237</u>	<u>448,486</u>

(iii) At the meeting on 19 April 2018, the General Meeting of Shareholders resolved to establish the Science and technology development fund.

	2024 VND million	2023 VND million
Opening balance	1,775,592	1,822,237
Utilisation during the year	(120,865)	(566,793)
Fixed assets funded by the Science and technology development fund during the year	-	595,562
Depreciation of fixed assets funded by the Science and technology development fund during the year	(127,534)	(83,616)
Other movements during the year	(46,581)	8,202
Closing balance	<u>1,480,612</u>	<u>1,775,592</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20 OWNERS' EQUITY

20.1 Statement of changes in owners' equity

	Charter capital VND million	Share premium VND million	Reserve to supplement charter capital VND million	Financial reserve VND million	Other reserves (i) VND million	Retained profits VND million	Total VND million
As at 1 January 2023	33,774,351	271,779	2,682,996	6,108,157	121	14,420,026	57,257,430
Net profits for the year	-	-	-	-	-	15,521,754	15,521,754
Appropriation to reserves	-	-	776,087	1,552,175	-	(2,328,262)	-
Appropriation to bonus and welfare fund (Note 19(ii))	-	-	-	-	-	(150,000)	(150,000)
Share dividends (Note 20.3)	5,066,153	-	-	-	-	(5,066,153)	-
Cash dividends (Note 20.3)	-	-	-	-	-	(3,377,435)	(3,377,435)
As at 31 December 2023	<u>38,840,504</u>	<u>271,779</u>	<u>3,459,083</u>	<u>7,660,332</u>	<u>121</u>	<u>19,019,930</u>	<u>69,251,749</u>
Net profits for the year	-	-	-	-	-	16,085,199	16,085,199
Appropriation to reserves	-	-	1,608,520	1,608,520	-	(3,217,040)	-
Appropriation to bonus and welfare fund (Note 19(ii))	-	-	-	-	-	(400,000)	(400,000)
Share dividends (Note 20.3)	5,826,075	-	-	-	-	(5,826,075)	-
Cash dividends (Note 20.3)	-	-	-	-	-	(3,884,051)	(3,884,051)
As at 31 December 2024	<u><u>44,666,579</u></u>	<u><u>271,779</u></u>	<u><u>5,067,603</u></u>	<u><u>9,268,852</u></u>	<u><u>121</u></u>	<u><u>21,777,963</u></u>	<u><u>81,052,897</u></u>

(i) Other reserves comprised of capital expenditure fund.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

20 OWNERS' EQUITY (continued)

20.2 Shares

(a) Number of shares

	31.12.2024		31.12.2023	
	Number of shares	Carrying value VND million	Number of shares	Carrying value VND million
Authorised share capital	4,466,657,912	44,666,579	3,884,050,358	38,840,504
Ordinary shares in circulation	4,466,657,912	44,666,579	3,884,050,358	38,840,504

(b) Movements of the charter capital

	Number of shares	Charter capital VND million
As at 1 January 2023	3,377,435,094	33,774,351
Shares issued	506,615,264	5,066,153
As at 31 December 2023	3,884,050,358	38,840,504
Shares issued	582,607,554	5,826,075
As at 31 December 2024	4,466,657,912	44,666,579

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at the General Meetings of Shareholders of the Bank. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Bank's residual assets. In respect of shares bought back by the Bank, all rights are suspended until those shares are reissued.

20.3 Dividends

The General Meeting of Shareholders of the Bank on 4 April 2024 resolved to distribute share and cash dividends at the distribution rate of 15% and 10% (2023: 15% and 10% respectively) from VND9,710,126 million of retained profits of 2023 and previous years (2023: VND8,443,588 million of retained profits of 2022 and previous years). The Bank completed the issuance of shares for dividends.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
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21 INTEREST AND SIMILAR INCOME

	2024 VND million	2023 VND million
Interest income from deposits	3,480,811	2,942,349
Interest income from loans	41,696,210	44,419,992
Interest income from debt securities:	3,374,338	3,465,691
- <i>Interest income from held-for-trading securities</i>	246,817	26,300
- <i>Interest income from investment securities</i>	3,127,521	3,439,391
Income from guarantee services	305,215	288,275
Other income from credit activities	831,947	647,212
	<u>49,688,521</u>	<u>51,763,519</u>

22 INTEREST AND SIMILAR EXPENSES

	2024 VND million	2023 VND million
Interest expenses on deposits	18,745,679	24,356,561
Interest expenses on borrowings	144,016	165,722
Interest expenses on valuable papers issued	3,798,383	2,015,387
Other expenses on credit activities	58,573	815,551
	<u>22,746,651</u>	<u>27,353,221</u>

23 FEE AND COMMISSION INCOME

	2024 VND million	2023 VND million
Settlement services	3,228,440	2,630,145
Treasury services	10,202	11,744
Other services	1,837,279	1,973,665
	<u>5,075,921</u>	<u>4,615,554</u>

24 FEE AND COMMISSION EXPENSES

	2024 VND million	2023 VND million
Settlement and treasury services	1,598,552	1,217,613
Other services	500,526	712,864
	<u>2,099,078</u>	<u>1,930,477</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

25 NET GAIN FROM TRADING OF FOREIGN CURRENCIES

	2024 VND million	2023 VND million
Gains from trading of foreign currencies		
Currency spots	2,333,337	1,921,145
Gold trading	33,219	14,919
Currency derivatives	512,898	604,179
Losses on trading of foreign currencies		
Currency spots	(850,707)	(507,355)
Gold trading	(2,107)	(5,608)
Currency derivatives	(856,685)	(917,679)
	<u>1,169,955</u>	<u>1,109,601</u>

26 NET (LOSS)/GAIN FROM TRADING OF HELD-FOR-TRADING SECURITIES

	2024 VND million	2023 VND million
Gains from trading of held-for-trading securities	60,245	39,434
Losses on trading of held-for-trading securities	(72,108)	(23,935)
	<u>(11,863)</u>	<u>15,499</u>

27 NET GAIN FROM TRADING OF INVESTMENT SECURITIES

	2024 VND million	2023 VND million
Gains from trading of investment securities	457,630	2,663,097
Losses on trading of investment securities	(7,318)	(15,957)
	<u>450,312</u>	<u>2,647,140</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

28 NET OTHER INCOME

	2024 VND million	2023 VND million
Other income		
Income from bad debt collection previously written-off	732,524	872,746
Income from other trading activities	126,222	98,993
Other income	306,515	97,667
	<u>1,165,261</u>	<u>1,069,406</u>
Other expenses		
Expenses on other trading activities	(336,654)	(88,598)
Other expenses	(123,333)	(180,150)
	<u>(459,987)</u>	<u>(268,748)</u>
	<u>705,274</u>	<u>800,658</u>

29 INCOME FROM INVESTMENTS IN OTHER ENTITIES

	2024 VND million	2023 VND million
Dividend income received during the year:		
- From long-term investments	14,492	63,720
	<u>14,492</u>	<u>63,720</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

30 OPERATING EXPENSES

	2024 VND million	2023 VND million
Tax, duties and fees	17,878	18,174
Salaries and related expenses	6,217,575	5,975,488
- <i>Salaries and allowances</i>	2,133,270	2,044,579
- <i>Salary related contributions</i>	474,840	442,489
- <i>Subsidies</i>	8,059	6,172
- <i>Others</i>	3,601,406	3,482,248
Expenses on assets	1,608,760	1,742,806
- <i>Depreciation and amortisation expenses</i>	408,338	368,629
- <i>Others</i>	1,200,422	1,374,177
Administrative expenses	2,105,971	2,265,352
Insurance for deposits from customers	574,929	504,504
Allowance expenses (i)	3,727	8,546
	<u>10,528,840</u>	<u>10,514,870</u>

(i) Details of allowance expenses were as follows:

	2024 VND million	2023 VND million
Addition to allowance for diminution in value of long-term investments (Note 11.4)	4,570	6,789
(Reversal of)/addition to allowance for losses on other assets (Note 13.4)	(843)	1,757
	<u>3,727</u>	<u>8,546</u>

31 ALLOWANCE EXPENSES FOR CREDIT LOSSES

	2024 VND million	2023 VND million
Addition to general allowance for losses on loans to customers (Note 9.7)	642,814	519,593
Addition to specific allowance for losses on loans to customers (Note 9.7)	955,464	1,263,427
Addition to general allowance for receivables from UPAS L/C activities (Note 13.4)	801	-
	<u>1,599,079</u>	<u>1,783,020</u>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

32 CORPORATE INCOME TAX

32.1 Current corporate income tax

The tax on the Bank's profit before tax differs from theoretical amount that would arise using the applicable tax rate of 20% as follows:

	2024 VND million	2023 VND million
Profit before tax	20,118,964	19,434,103
Adjustments for taxable profit:		
Less (-) Non-taxable profit:	14,492	63,720
- <i>Income from investments in other entities</i>	14,492	63,720
Plus (+) Non-deductible expenses	13,516	157,018
Other adjustments to decrease taxable profit	(190,566)	(152,156)
Taxable profit	19,927,422	19,375,245
Corporate income tax at applicable tax rate	3,985,484	3,875,049
Under provision in previous years	31,936	6,869
Current corporate income tax	4,017,420	3,881,918
Tax payable at the beginning of the year	2,270,931	2,319,022
Corporate income tax paid during the year	(3,941,421)	(3,930,009)
Corporate income tax payable at the year-end	2,346,930	2,270,931

The corporate income tax for the year ended 31 December 2024 was calculated based on current regulations applicable for corporate income tax and has not been finalised by the tax authorities.

32.2 Deferred corporate income tax expense

	2024 VND million	2023 VND million
Deferred corporate income tax expense relating to reversal of deferred tax assets (Note 13.2)	33,535	63,966
Deferred corporate income tax income relating to deductible temporary differences (Note 13.2)	(17,190)	(33,535)
	<u>16,345</u>	<u>30,431</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

33 CASH AND CASH EQUIVALENTS

	31.12.2024 VND million	31.12.2023 VND million
Cash on hand, gold and gemstones	5,696,444	6,909,295
Balances with the SBV	25,219,461	18,504,709
Deposits with other credit institutions (including demand deposits and term deposits with original terms of three months or less)	106,836,456	110,121,654
Securities with a term of redemption or maturity not exceeding three months from the date of purchase	1,000,000	235,890
	<u>138,752,361</u>	<u>135,771,548</u>

34 EMPLOYEES' REMUNERATION

	2024 VND million	2023 VND million
Average number of employees (person)	13,010	12,949
Employees' remuneration		
Total salary	2,133,270	2,044,579
Other remuneration	3,772,062	3,646,408
Total remuneration	<u>5,905,332</u>	<u>5,690,987</u>
Average salary/person/year	164	158
Average remuneration/person/year	<u>454</u>	<u>439</u>

35 OBLIGATIONS TO THE STATE BUDGET

	1.1.2024 VND million	Movements during the year		31.12.2024 VND million
		Payable VND million	Paid VND million	
Value added tax	91,312	402,047	439,855	53,504
Corporate income tax	2,270,931	4,017,420	3,941,421	2,346,930
Other taxes	118,750	698,522	699,352	117,920
	<u>2,480,993</u>	<u>5,117,989</u>	<u>5,080,628</u>	<u>2,518,354</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

36 ASSETS, VALUABLE PAPERS MORTGAGED, PLEDGED, DISCOUNTED AND REDISCOUNTED

36.1 Assets, valuable papers mortgaged, pledged, discounted and rediscounted at the Bank

	31.12.2024 VND million	31.12.2023 VND million
Assets, valuable papers of customers mortgaged, pledged and discounted at the Bank		
Real estates	1,050,007,290	867,009,958
Inventories	785,201	572,679
Machinery and equipment	4,006,319	3,984,708
Valuable papers	179,447,364	48,265,817
<i>In which:</i>		
- Valuable papers issued by enterprises	179,447,364	48,265,817
Other assets	35,516,569	22,235,715
	<u>1,269,762,743</u>	<u>942,068,877</u>
Assets, valuable papers of other credit institutions mortgaged, pledged, discounted and rediscounted at the Bank		
Deposits with other credit institutions	58,054,300	51,589,470
Real estates	836,222	840,698
Valuable papers	100,000	250,000
Other assets	1,255,203	997,436
	<u>60,245,725</u>	<u>53,677,604</u>
Total assets, valuable papers mortgaged, pledged, discounted and rediscounted at the Bank	<u>1,330,008,468</u>	<u>995,746,481</u>

36.2 The Bank's assets, valuable papers mortgaged, pledged, discounted and rediscounted

	31.12.2024 VND million	31.12.2023 VND million
Term deposits with other credit institutions (Note 6.1(i))	10,000,000	8,500,000
Investment securities (Note 10.1(ii))	17,042,745	7,577,667
	<u>27,042,745</u>	<u>16,077,667</u>

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

37 CONTINGENT LIABILITIES AND COMMITMENTS

37.1 Off-balance sheet items

	As at 31 December 2024		
	Denominated in VND VND million	Denominated in foreign currencies VND million	Total VND million
Borrowing guarantees	54,784	-	54,784
Commitments on foreign exchange transactions	91,869,316	103,954,872	195,824,188
Letters of credit at sight	-	1,999,681	1,999,681
Deferred letters of credit	2,750	1,516,583	1,519,333
Payment guarantees	3,643,580	172,328	3,815,908
Performance guarantees	2,714,267	153,095	2,867,362
Bidding guarantees	895,491	-	895,491
Other guarantees	7,514,536	237,559	7,752,095
Other commitments	19,466,418	8,882,991	28,349,409
	<u>126,161,142</u>	<u>116,917,109</u>	<u>243,078,251</u>

	As at 31 December 2023		
	Denominated in VND VND million	Denominated in foreign currencies VND million	Total VND million
Borrowing guarantees	42,766	-	42,766
Commitments on foreign exchange transactions	61,394,470	73,559,465	134,953,935
Letters of credit at sight	-	965,298	965,298
Deferred letters of credit	-	1,218,548	1,218,548
Payment guarantees	3,295,550	111,145	3,406,695
Performance guarantees	1,943,594	47,729	1,991,323
Bidding guarantees	547,715	-	547,715
Other guarantees	5,865,676	111,465	5,977,141
Other commitments	11,209,105	3,201,123	14,410,228
	<u>84,298,876</u>	<u>79,214,773</u>	<u>163,513,649</u>

(*) These balances represented the gross amount of off-balance sheet items as at 31 December 2024 before deducting margin deposits of VND1,275,273 million (31.12.2023: VND991,649 million).

37.2 Operating lease commitments

The future minimum lease payments under non-cancellable operating leases were:

	31.12.2024 VND million	31.12.2023 VND million
Within 1 year	370,263	405,414
Over 1 year to 5 years	1,668,850	1,818,491
Over 5 years	526,562	506,854
	<u>2,565,675</u>	<u>2,730,759</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**37 CONTINGENT LIABILITIES AND COMMITMENTS (continued)****37.3 Capital commitments**

The capital commitments that have been approved but not yet provided for in the separate statement of financial position as at 31 December 2024 amounted to VND604,566 million (31.12.2023: VND320,769 million).

38 OVERDUE INTEREST AND FEE RECEIVABLE NOT COLLECTED YET

	31.12.2024 VND million	31.12.2023 VND million
Overdue interest of loans not collected yet	1,580,131	1,055,121
Overdue interest of securities not collected yet	136,873	136,873
Overdue interest of deposits not collected yet	12,629	12,629
	<u>1,729,633</u>	<u>1,204,623</u>

39 WRITTEN-OFF BAD DEBTS

	31.12.2024 VND million	31.12.2023 VND million
Principal of written-off bad debts	4,268,183	4,773,521
Interest of written-off bad debts	2,416,671	2,507,847
Other written-off bad debts	3,143	3,145
	<u>6,687,997</u>	<u>7,284,513</u>

40 ASSETS AND OTHER DOCUMENTS

	31.12.2024 VND million	31.12.2023 VND million
Precious metals, gemstones under custody services	606,784	725,955
Lease assets	(*)	(*)
Foreclosed assets waiting for settlement	2,107	2,107
Other valuable documents under safekeeping	29,582	29,295
	<u>638,473</u>	<u>757,357</u>

(*) The Bank has not determined the value of lease assets because there is no guidance on determination of value of lease assets under current Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements on preparation and presentation of the separate financial statements applicable to credit institutions.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

41 CONCENTRATION OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET COMMITMENTS BY GEOGRAPHICAL AREA

		As at 31 December 2024							
	Deposits with and loans to other credit institutions VND million	Loans to customers VND million	Deposits and borrowings from other credit institutions VND million	Deposits from customers VND million	Credit commitments VND million	Derivatives (i) VND million	Held-for-trading and investment securities VND million	Total VND million	
Domestic	101,026,795	569,734,624	94,603,701	539,139,747	26,206,928	106,575,431	121,931,986	1,559,219,212	
Overseas	7,026,493	-	389,511	-	4,077,467	79,577	-	11,573,048	
	<u>108,053,288</u>	<u>569,734,624</u>	<u>94,993,212</u>	<u>539,139,747</u>	<u>30,284,395</u>	<u>106,655,008</u>	<u>121,931,986</u>	<u>1,570,792,260</u>	
		As at 31 December 2023							
	Deposits with and loans to other credit institutions VND million	Loans to customers VND million	Deposits and borrowings from other credit institutions VND million	Deposits from customers VND million	Credit commitments VND million	Derivatives (i) VND million	Held-for-trading and investment securities VND million	Total VND million	
Domestic	102,323,113	481,276,138	83,396,467	483,649,253	19,696,823	71,379,242	79,343,113	1,321,064,149	
Overseas	8,902,870	-	919,263	-	2,467,909	5,289	-	12,295,331	
	<u>111,225,983</u>	<u>481,276,138</u>	<u>84,315,730</u>	<u>483,649,253</u>	<u>22,164,732</u>	<u>71,384,531</u>	<u>79,343,113</u>	<u>1,333,359,480</u>	

(i) Represented the total contract value at foreign exchange rate at the contract date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

42 SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

(a) Transactions incurred during the year

During the year, there were the following transactions with related parties:

	2024	2023
	VND million	VND million
Interest income from deposits with a subsidiary	1,677	-
Interest income from loans to a subsidiary	49,830	57,021
Interest income from loans to other related parties (i)	30,297	20,086
Interest expenses on deposits from subsidiaries	72,264	78,602
Interest expenses on deposits from other related parties (i)	43,147	62,887
Fees earned from subsidiaries	108	84
Other income from a subsidiary	1,275	1,639
Fees paid to subsidiaries	878	924
Distribution of profits from subsidiaries	2,717	612
Dividend income from other related parties (i)	-	49,852
Capital contribution to a subsidiary	3,000,000	1,000,000

Remuneration, salary, bonus and other benefits of the Board of Directors, the Board of Supervisors and the Board of Management are as follows:

	2024	2023
	VND million	VND million
Members of Board of Directors	39,605	34,617
<i>In which, remuneration:</i>		
- Mr. Tran Hung Huy – Chairman	8,400	8,211
- Mr. Nguyen Thanh Long – Vice chairman	3,720	3,576
- Mr. Hiep Van Vo – Member	2,650	1,893
- Ms. Dinh Thi Hoa – Member	1,440	1,342
- Ms. Dang Thu Thuy – Member	2,160	2,160
- Mr. Dam Van Tuan – Member	2,160	2,069
- Mr. Do Minh Toan – Member	2,160	1,620
- Mr. Nguyen Van Hoa – Member	2,520	1,548
- Mr. Trinh Bao Quoc – Independent member	2,160	1,548
- Mr. Huang Yuan Chiang – Independent member	-	297
Board of Supervisors	10,438	9,990
Board of Management	73,483	99,941
<i>In which:</i>		
- Salary of General Director	11,523	9,958

(b) Balances at the year-end

	31.12.2024	31.12.2023
	VND million	VND million
Deposits with a subsidiary	45,000	-
Loans to a subsidiary	1,065,853	824,400
Loans to other related parties (i)	364,134	279,642
Deposits from subsidiaries	2,131,412	1,163,955
Deposits from other related parties (i)	781,589	725,417
Interest receivables from deposits with a subsidiary	90	-
Interest receivables from loans to a subsidiary	4,575	4,678
Interest receivables from loans to other related parties (i)	2,776	1,395
Interest payables on deposits from subsidiaries	7,913	8,433
Interest payables on deposits from other related parties (i)	8,464	15,283
Receivables from a subsidiary	146,000	146,000
Distribution of profit receivables from a subsidiary	2,717	612

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****42 SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES (continued)**

- (i) Other related parties comprise key management personnel including members of the Board of Directors, members of the Supervisory Board, members of the Board of Management, Chief Financial Officer, Chief Accountant and close members of the family of these individuals and companies which these individuals directly or indirectly hold significant voting right or have significant influence over.

43 FINANCIAL RISK MANAGEMENT

The Bank implements risk management by establishing an overall risk management framework and implementing risk components in accordance with regulatory requirements and the Bank's business strategies for a certain period of time. The risk management principles and risk appetite defined by the Board of Directors are established on the basis of assessing material risks and their tolerance. The Board of Management is in charge of executing risk management into processes, regulations and limits to ensure all activities carried out by business units and function units in compliance with the given risk management framework and risk appetite.

Through the internal control system with three lines of defenses and complete risk management process (including identification, measurement, monitoring and risk control), risk management is owned and is managed by all units and employees across the Bank in order to control, prevent, detect, timely handle risks and achieve the goals set by the Board of Directors.

The implementing, monitoring, evaluating of risk management activities and amending internal regulations are carried out periodically or when there are any changes in business environment, requirements from the SBV or the Bank's business strategy.

Among different types of the Bank's material risks, three types of financial risks that affect the Bank's financial instruments comprise of credit risk, market risk, and liquidity risk.

(a) Credit risk

Credit risk arises when customers or counterparties fail to perform or are unable to perform their partial or full obligations under agreements with the Bank.

The Bank establishes credit risk policies and applies them to its whole credit process including identifying target customers, credit granting activities, credit underwriting activities, credit approval activities, credit management, non-performing credit management to comply with regulatory requirements and align with the Bank's business strategy, risk management strategy and risk appetite.

The Bank uses a variety of tools to manage credit risk, such as: (i) setting credit limits by industries, economic sectors, products, collateral types, (ii) developing and applying the internal credit rating system, (iii) implementing software systems for credit management to monitor and to analyse non-performing credit, and early credit risk warning system. Credit data and credit management results are periodically reported to relevant management units, the Board of Directors, Risk Management Committee, General Director and Risk Committee in order to timely handle and control risks according to the Bank's risk appetite and business strategy.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Maximum exposure to credit risk before collaterals held or other credit enhancements

The maximum exposure to credit risk is the carrying amounts on the statement of financial position as well as off-balance sheet of financial instruments, without taking into account any collateral held or other credit enhancements. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Bank would have to pay if the obligations of the instruments issued are called upon. For off-balance sheet commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers. The table below shows the maximum exposure to credit risk of the Bank:

	Maximum exposure to credit risk	
	31.12.2024	31.12.2023
	VND million	VND million
Credit risk exposures relating to balance sheet assets:		
Balances with the State Bank of Vietnam	25,219,461	18,504,709
Deposits with and loans to other credit institutions	108,053,288	111,225,983
Held-for-trading debt securities	841,743	5,879,766
Derivatives	55,992	-
Loans to customers	569,734,624	481,276,138
Investment securities:		
- Available-for-sale debt securities	108,905,816	44,891,107
- Held-to-maturity debt securities	12,171,766	28,559,579
Other financial assets	6,931,761	7,312,608
	<u>831,914,451</u>	<u>697,649,890</u>
Credit risk exposures relating to off-balance sheet items:		
Off-balance sheet commitments	<u>30,284,395</u>	<u>22,164,732</u>

The above table represents the worst case with the maximum level of loss of the Bank as at 31 December 2024 and 31 December 2023, not taking into account any collateral held or other credit enhancements. Collaterals held as at 31 December 2024 and 31 December 2023 were described in Note 36.1.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Credit quality

Financial assets exposed to credit risk were summarised as follows:

As at 31 December 2024

	Balances with the State Bank of Vietnam VND million	Deposits with and loans to other credit institutions VND million	Held-for- trading debt securities VND million	Derivatives VND million	Loans to customers VND million	Investment debt securities VND million	Other financial assets VND million	Total VND million
Balances neither past due nor impaired	25,219,461	108,003,288	841,743	55,992	555,944,518	121,077,582	6,755,946	817,898,530
Balances past due but not impaired	-	-	-	-	2,328,443	-	228	2,328,671
Balances past due and impaired	-	50,000	-	-	11,461,663	-	175,587	11,687,250
	<u>-</u>	<u>(50,000)</u>	<u>-</u>	<u>-</u>	<u>(6,587,094)</u>	<u>-</u>	<u>(172,651)</u>	<u>(6,809,745)</u>
Net amount	<u>25,219,461</u>	<u>108,003,288</u>	<u>841,743</u>	<u>55,992</u>	<u>563,147,530</u>	<u>121,077,582</u>	<u>6,759,110</u>	<u>825,104,706</u>
Allowance								
Specific allowance	-	(50,000)	-	-	(2,364,883)	-	-	(2,414,883)
General allowance	-	-	-	-	(4,222,211)	-	(801)	(4,223,012)
Other allowance	-	-	-	-	-	-	(171,850)	(171,850)
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(171,850)</u>	<u>(171,850)</u>

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(a) Credit risk (continued)

Credit quality (continued)

As at 31 December 2023

	Balances with the State Bank of Vietnam VND million	Deposits with and loans to other credit institutions VND million	Held-for- trading debt securities VND million	Loans to customers VND million	Investment debt securities VND million	Other financial assets VND million	Total VND million
Balances neither past due nor impaired	18,504,709	111,175,983	5,879,766	468,832,278	73,450,686	7,135,909	684,979,331
Balances past due but not impaired	-	-	-	2,582,603	-	249	2,582,852
Balances past due and impaired	-	50,000	-	9,861,257	-	176,450	10,087,707
Less: Allowance	-	(50,000)	-	(5,213,620)	-	(172,693)	(5,436,313)
Net amount	18,504,709	111,175,983	5,879,766	476,062,518	73,450,686	7,139,915	692,213,577
Allowance							
Specific allowance	-	(50,000)	-	(1,634,223)	-	-	(1,684,223)
General allowance	-	-	-	(3,579,397)	-	-	(3,579,397)
Other allowance	-	-	-	-	-	(172,693)	(172,693)

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk

Market risk is the risk of losses due to adverse changes in interest rate, exchange rate, gold price, market price of securities and commodity price.

The Bank manages the market risk within the limits required by internal regulations and the SBV.

The Bank develops tools to measure and continuously monitor potential losses, including sensitivity analysis, Value-at-Risk (VaR) and stress testing (Stressed VaR – SvaR), providing warnings to enhance management of scale and position limits, stop-loss limits, and maximum estimated fluctuation limits in line with risk appetite.

Backtesting is performed regularly to assess the accuracy of market risk measurement tools/models in order to continuously improve and more closely reflect the level of risk. The principle of backtesting of VaR model is based on the assessment of the number of times the actual profit/loss and assumed profit/loss exceed the estimated maximum loss VaR.

The Bank monitors and limits its market risk exposures through a number of tools including sensitivity analysis, VaR and stress testing. Stress testing is conducted regularly to assess the impact on the profitability and value of the asset portfolios in stressful and potential situations. In addition, the Bank conducts reverse stress testing to forecast the possibility of losses on the business portfolio exceeding current limits.

(i) Interest rate risk

Interest rate risk in the banking book ("IRRBB") is the risk of losses due to adverse changes in interest rate against income, assets, liabilities and off-balance sheet commitments, generally arising from timing mismatch of repricing, changes in relationship amongst interest rate of different terms, impact from interest rate options, interest rate embedded options.

The Bank has put into practice Basel III standards to improve the management of IRRBB according to international practices and in strict compliance with the regulations of the State Bank of Vietnam. Accordingly, the Bank balances the structure of proportions and terms of liabilities and assets in the banking book to reduce the negative impact of interest rate fluctuations on net interest income and the economic value of equity, especially in times of significant fluctuations in interest rates.

The implementation of high-quality interest rate risk management allows the Bank to develop flexible business strategies that are suitable for market interest rate fluctuations; thereby helping the Bank balance the goal of optimizing profits and minimizing losses, helping to manage capital buffers well to improve the ability to respond in stressful conditions of interest rates.

Stress testing of IRRBB is regularly conducted to identify the main economic risks that are likely to occur in stressful scenarios and the level of impact on the financial situation and own capital. Accordingly, the Bank proactively assesses and implements effective risk management strategies and/or contingency actions and determines its own capital requirements in the Internal Capital Adequacy Assessment Procedure (ICAAP) and its ability to absorb the decline in profits.

In addition, the Bank conducts reverse stress testing to determine the extent to which interest rate volatility would cause net interest income and the economic value of equity to change beyond current risk limits and appetite.

Management of interest rate risk

The following table shows the Bank's assets, liabilities and off-balance sheet items categorised by the repricing period at the reporting date.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(i) Interest rate risk (continued)

Unit: VND million

	Overdue	Non-interest bearing	Under 1 month	From 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total
As at 31 December 2024									
Assets									
Cash on hand, gold and gemstones	-	5,696,444	-	-	-	-	-	-	5,696,444
Balances with the State Bank of Vietnam	-	25,219,461	-	-	-	-	-	-	25,219,461
Deposits with and loans to other credit institutions (i)	-	50,000	74,960,539	32,663,797	9,041	103,058	205,853	61,000	108,053,288
Held-for-trading securities (i)	-	841,743	-	-	-	-	-	-	841,743
Derivatives and other financial assets	-	55,992	-	-	-	-	-	-	55,992
Loans to customers (i)	11,283,153	-	8,870,912	506,762,915	31,414,354	10,917,812	178,251	307,227	569,734,624
Investment securities (i)	-	12,661	-	-	7,000,067	50,855,653	19,200,000	44,021,862	121,090,243
Long-term investments (i)	-	7,746,467	-	-	-	-	-	-	7,746,467
Fixed assets	-	5,326,341	-	-	-	-	-	-	5,326,341
Other assets (i)	175,815	9,468,664	-	-	-	-	-	-	9,644,479
Total assets	11,458,968	54,417,773	83,831,451	539,426,712	38,423,462	61,876,523	19,584,104	44,390,089	853,409,082
Liabilities									
Due to the Government and the State Bank of Vietnam	-	-	7,954,853	-	-	-	-	-	7,954,853
Deposits and borrowings from other credit institutions	-	-	67,113,665	27,528,862	350,685	-	-	-	94,993,212
Deposits from customers	-	-	128,681,387	172,231,286	117,500,491	89,645,183	31,081,400	-	539,139,747
Funds and entrusted investments received from the Government, international and other credit institutions	-	-	-	15,832	-	-	-	12,176	28,008
Valuable papers issued	-	-	-	-	2,000,000	53,550,000	43,683,537	2,414,618	101,648,155
Other liabilities	-	21,614,533	-	-	-	-	-	-	21,614,533
Total liabilities	-	21,614,533	203,749,905	199,775,980	119,851,176	143,195,183	74,764,937	2,426,794	765,378,508
Interest sensitivity gap of balance sheet items	11,458,968	32,803,240	(119,918,454)	339,650,732	(81,427,714)	(81,318,660)	(55,180,833)	41,963,295	88,030,574
Interest sensitivity gap of off-balance sheet items (net)	-	1,427,294	287	(154,082)	(351,651)	(1,036,201)	(46,310)	-	(160,663)
Total interest sensitivity gap	11,458,968	34,230,534	(119,918,167)	339,496,650	(81,779,365)	(82,354,861)	(55,227,143)	41,963,295	87,869,911

(i) These items do not include the allowance.



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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(i) Interest rate risk (continued)

Unit: VND million

	Overdue	Non-interest bearing	Under 1 month	From 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total
As at 31 December 2023									
Assets									
Cash on hand, gold and gemstones	-	6,909,295	-	-	-	-	-	-	6,909,295
Balances with the State Bank of Vietnam	-	18,504,709	-	-	-	-	-	-	18,504,709
Deposits with and loans to other credit institutions (i)	-	50,000	74,167,604	36,947,379	-	-	-	61,000	111,225,983
Held-for-trading securities (i)	-	5,879,766	-	-	-	-	-	-	5,879,766
Loans to customers (i)	8,765,595	-	8,072,938	436,606,882	24,521,207	2,801,019	241,912	266,585	481,276,138
Investment securities (i)	-	12,661	-	-	3,174,695	20,043,215	4,963,845	45,268,931	73,463,347
Long-term investments (i)	-	4,746,467	-	-	-	-	-	-	4,746,467
Fixed assets	-	4,680,080	-	-	-	-	-	-	4,680,080
Other assets (i)	176,700	10,452,111	-	-	-	-	-	-	10,628,811
Total assets	8,942,295	51,235,089	82,240,542	473,554,261	27,695,902	22,844,234	5,205,757	45,596,516	717,314,596
Liabilities									
Due to the Government and the State Bank of Vietnam	-	-	88	-	-	-	-	-	88
Deposits and borrowings from other credit institutions	-	-	50,571,186	31,970,131	1,763,505	10,908	-	-	84,315,730
Deposits from customers	-	-	115,509,370	126,539,572	148,673,678	54,729,529	38,197,104	-	483,649,253
Derivatives and other financial liabilities	-	117,126	-	-	-	-	-	-	117,126
Funds and entrusted investments received from the Government, international and other credit institutions	-	-	-	26,854	-	-	-	14,680	41,534
Valuable papers issued	-	-	-	-	-	13,750,000	36,231,551	2,410,852	52,392,403
Other liabilities	-	21,947,038	-	-	-	-	-	-	21,947,038
Total liabilities	-	22,064,164	166,080,644	158,536,557	150,437,183	68,490,437	74,428,655	2,425,532	642,463,172
Interest sensitivity gap of balance sheet items	8,942,295	29,170,925	(83,840,102)	315,017,704	(122,741,281)	(45,646,203)	(69,222,898)	43,170,984	74,851,424
Interest sensitivity gap of off-balance sheet items (net)	-	163,283	-	27,256	(564,237)	(242,817)	609,250	-	(7,265)
Total interest sensitivity gap	8,942,295	29,334,208	(83,840,102)	315,044,960	(123,305,518)	(45,889,020)	(68,613,648)	43,170,984	74,844,159

(i) These items do not include the allowance.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(i) Interest rate risk (continued)

Interest rates of monetary items at the reporting date were as follows:

As at 31 December 2024	Under 1 month	From 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years
Assets						
Deposits with and loans to other credit institutions						
▪ VND	0.00% - 5.20%	3.71% - 6.20%	4.50% - 4.80%	4.50% - 4.90%	4.60% - 5.00%	5.10% - 5.50%
▪ Foreign currencies	0.00% - 4.50%	4.85% - 4.90%	(*)	(*)	(*)	(*)
Loans to customers						
▪ VND	3.50% - 32.00%	1.27% - 25.00%	1.32% - 14.30%	2.66% - 13.26%	3.47% - 25.57%	3.31% - 15.10%
▪ Foreign currencies	3.50% - 4.90%	3.00% - 6.60%	2.50% - 5.70%	4.00% - 6.10%	(*)	(*)
Investment securities						
▪ VND	(*)	(*)	4.80% - 4.94%	4.10% - 7.30%	4.80% - 5.80%	1.40% - 8.90%
Liabilities						
Due to the Government and the State Bank of Vietnam						
▪ VND	0.50% - 4.00%	(*)	(*)	(*)	(*)	(*)
Deposits and borrowings from other credit institutions						
▪ VND	0.00% - 5.25%	4.00% - 5.40%	5.58%	(*)	(*)	(*)
▪ Foreign currencies	0.00% - 5.08%	5.03% - 5.34%	1.27% - 6.05%	(*)	(*)	(*)
Deposits from customers						
▪ VND	0.00% - 0.50%	0.00% - 4.75%	0.00% - 5.40%	0.00% - 5.90%	0.00% - 10.00%	(*)
▪ Foreign currencies	0.00%	0.00%	0.00%	0.00%	0.00%	(*)
Funds and entrusted investments received from the Government, international and other credit institutions						
▪ VND	(*)	3.11% - 3.83%	(*)	(*)	(*)	(*)
▪ Foreign currencies	(*)	(*)	(*)	(*)	(*)	1.91%
Valuable papers issued						
▪ VND	(*)	(*)	4.90%	4.10% - 5.50%	4.50% - 6.50%	7.35% - 8.50%

(*) Balances of these items at the reporting date were nil.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(i) Interest rate risk (continued)

Interest rates of monetary items at the reporting date were as follows:

As at 31 December 2023	Under 1 month	From 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years
Assets						
Deposits with and loans to other credit institutions						
▪ VND	0.00% - 3.60%	1.05% - 6.70%	(*)	(*)	(*)	5.10% - 5.50%
▪ Foreign currencies	0.00% - 5.20%	5.20% - 5.55%	(*)	(*)	(*)	(*)
Loans to customers						
▪ VND	4.20% - 32.00%	3.00% - 25.00%	3.00% - 15.00%	4.50% - 14.50%	3.99% - 28.52%	3.79% - 15.10%
▪ Foreign currencies	4.00% - 5.20%	2.50% - 7.25%	2.50% - 6.00%	4.00% - 5.50%	(*)	(*)
Investment securities						
▪ VND	(*)	(*)	5.00% - 5.80%	4.13% - 9.50%	3.80% - 7.93%	1.40% - 8.90%
Liabilities						
Due to the Government and the State Bank of Vietnam						
▪ VND	0.50%	(*)	(*)	(*)	(*)	(*)
Deposits and borrowings from other credit institutions						
▪ VND	0.00% - 4.50%	0.60% - 5.34%	2.50%	(*)	(*)	(*)
▪ Foreign currencies	0.00% - 5.17%	5.00% - 6.37%	1.05% - 6.50%	6.37% - 6.40%	(*)	(*)
Deposits from customers						
▪ VND	0.00% - 0.50%	0.00% - 5.90%	0.00% - 7.55%	0.00% - 9.50%	0.00% - 10.50%	(*)
▪ Foreign currencies	0.00%	0.00%	0.00%	0.00%	0.00%	(*)
Funds and entrusted investments received from the Government, international and other credit institutions						
▪ VND	(*)	4.90% - 6.96%	(*)	(*)	(*)	(*)
▪ Foreign currencies	(*)	(*)	(*)	(*)	(*)	1.91%
Valuable papers issued						
▪ VND	(*)	(*)	(*)	4.30% - 9.50%	3.90% - 7.10%	7.35% - 8.50%

(*) Balances of these items at the reporting date were nil.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(ii) Currency risk

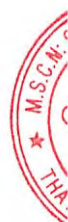
Currency risk (also referred to as exchange rate risk) is the risk of losses due to adverse changes in foreign exchange rate and gold price when the Bank holds an open foreign currency or gold position. The Bank was established and operates in Vietnam and the accounting currency is VND. Major transactions of the Bank are also in VND. The Bank's loans to customers were mainly denominated in VND and USD. However, some other assets of the Bank are denominated in foreign currencies other than USD. The Bank sets limits on the level of exposure by each currency, including gold. The currency position is monitored daily and the Bank takes risk mitigation actions to ensure that the currency position is within the set limit.

Management of currency risk

The main exchange rates applied by the Bank for translating monetary assets and liabilities denominated in currencies other than VND at the reporting date are as follows:

	Exchange rate as of date	
	31.12.2024	31.12.2023
USD/VND	25,426	24,270
EUR/VND	26,596	26,802
JPY/VND	163.24	172.11
AUD/VND	15,894	16,538
CAD/VND	17,773	18,329
Gold/VND	832,000	725,000

The following table shows the Bank's assets, liabilities and equity categorised by currencies which were translated into VND at the reporting date.



NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(iii) Currency risk (continued)

Unit: VND million

	USD	Gold	EUR	JPY	AUD	CAD	Others	Total
As at 31 December 2024								
Assets								
Cash on hand, gold and gemstones	882,820	51,138	9,538	4,652	21,622	5,034	1,546	976,350
Balances with the State Bank of Vietnam	5,138,337	-	-	-	-	-	-	5,138,337
Deposits with and loans to other credit institutions (i)	20,506,671	-	274,324	4,734,277	164,926	82,206	105,347	25,867,751
Derivatives and other financial assets	(21,258,565)	-	-	(3,746,218)	15,894	(17,773)	-	(25,006,662)
Loans to customers (i)	14,379,280	-	-	-	-	-	-	14,379,280
Other assets (i)	504,140	5,075	4,930	8,472	-	-	-	522,617
Total assets	20,152,683	56,213	288,792	1,001,183	202,442	69,467	106,893	21,877,673
Liabilities								
Deposits and borrowings from other credit institutions	8,072,350	-	10,593	21,623	-	-	-	8,104,566
Deposits from customers	12,701,429	-	244,864	861,489	112,187	53,556	50,964	14,024,489
Funds and entrusted investments received from the Government, international and other credit institutions	-	-	-	12,176	-	-	-	12,176
Other liabilities	495,985	-	10,858	12,432	17,453	5,045	6,143	547,916
Total liabilities	21,269,764	-	266,315	907,720	129,640	58,601	57,107	22,689,147
FX position on-balance sheet	(1,117,081)	56,213	22,477	93,463	72,802	10,866	49,786	(811,474)
FX position off-balance sheet	(114,099)	-	-	(19,903)	(56,980)	711	(3,981)	(194,252)
FX position on and off-balance sheet	(1,231,180)	56,213	22,477	73,560	15,822	11,577	45,805	(1,005,726)

(i) These items do not include the allowance.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(ii) Currency risk (continued)

Unit: VND million

	USD	Gold	EUR	JPY	AUD	CAD	Others	Total
As at 31 December 2023								
Assets								
Cash on hand, gold and gemstones	966,769	266,634	3,330	1,722	18,059	16,383	2,427	1,275,324
Balances with the State Bank of Vietnam	9,203,634	-	-	-	-	-	-	9,203,634
Deposits with and loans to other credit institutions (i)	32,526,270	-	211,224	5,701,721	55,929	40,469	88,845	38,624,458
Loans to customers (i)	10,730,314	3,056	-	-	-	-	-	10,733,370
Other assets (i)	1,554,514	4,424	9,539	42,804	-	-	6	1,611,287
Total assets	54,981,501	274,114	224,093	5,746,247	73,988	56,852	91,278	61,448,073
Liabilities								
Deposits and borrowings from other credit institutions	4,203,543	-	9,520	42,710	-	-	-	4,255,773
Deposits from customers	11,443,270	-	180,007	674,390	59,219	24,215	40,261	12,421,362
Derivatives and other financial liabilities	42,130,028	-	5,360	4,805,912	-	18,329	24,578	46,984,207
Funds and entrusted investments received from the Government, international and other credit institutions	-	-	-	14,680	-	-	-	14,680
Other liabilities	481,310	-	19,077	3,003	11,490	6,310	9,925	531,115
Total liabilities	58,258,151	-	213,964	5,540,695	70,709	48,854	74,764	64,207,137
FX position on-balance sheet	(3,276,650)	274,114	10,129	205,552	3,279	7,998	16,514	(2,759,064)
FX position off-balance sheet	800,271	-	8,845	(17,039)	6,615	-	23,888	822,580
FX position on and off-balance sheet	(2,476,379)	274,114	18,974	188,513	9,894	7,998	40,402	(1,936,484)

(i) These items do not include the allowance.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

43 FINANCIAL RISK MANAGEMENT (continued)

(b) Market risk (continued)

(iii) Sensitivity analysis

Changes in market risks can result in increase/decrease of the profit which the Bank has recognised.

The sensitivity assessment of market risk can be made based on changes in main risk factors such as interest rate, currency exchange rate and share prices while other factors are kept constant. The Bank will analyse and present the sensitivity analysis of its market risks when it has detailed guidance from the regulators.

(c) Liquidity risk

Liquidity risk is the risk that the Bank is unable to fulfill its repayment obligations when due; or the Bank is able to perform its obligations upon maturity but must pay higher costs than the market's average cost.

Liquidity risk is managed centrally through a liquidity risk management framework to ensure that all payment obligations are met on time and in accordance with internal and the SBV's regulations.

The Bank manages liquidity risk by implementing international standards for internal liquidity adequacy assessment process and Basel III, ensuring that the Bank has a clear strategy, regulations, and systems in place to identify, measure, monitor, and control liquidity risk effectively. In addition, the Bank conducts regular reviews of its liquidity risk tolerance and risk appetite, as well as assessments of its liquidity management and capital adequacy.

The Bank's liquidity risk management strategy is applied under both normal conditions and unfavorable movements of liquidity, including maintaining sufficient liquid assets, performing daily liquidity management, regularly assessing the ability to meet liquidity needs and complying with the regulations of the SBV on liquidity management.

Stress testing is conducted regularly to assess the level of liquidity needed to withstand internal and external shocks. The results of stress testing are used to propose measures to mitigate risk, allocate financial resources and review the contingency plan for liquidity as well as to assess business plans that may have a negative impact on liquidity.

The contingency plan for liquidity is always ensured to be effective and feasible, outlining minimum actions to be taken and allowing for flexibility in specific conditions to enable the Bank to respond promptly to different scenarios. Further, the contingency plan specifies clearly the coordination in management and assignment of responsibilities in case of liquidity shortage to effectively handle and control liquidity, mitigate losses for the Bank, its customers and shareholders and help the Bank stabilise and recover from financial losses in stressful situations.

Management of liquidity risk

The following table shows the Bank's assets and liabilities categorised by the remaining contractual maturities at the reporting date.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

Unit: VND million

	Overdue		Current					Total
	Over 3 months	Up to 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	Over 5 years	
As at 31 December 2024								
Assets								
Cash on hand, gold and gemstones	-	-	5,696,444	-	-	-	-	5,696,444
Balances with the State Bank of Vietnam	-	-	25,219,461	-	-	-	-	25,219,461
Deposits with and loans to other credit institutions (i)	-	-	90,697,435	16,290,000	84,227	684,626	297,000	108,053,288
Held-for-trading securities (i)	-	-	841,743	-	-	-	-	841,743
Derivatives and other financial assets	-	-	55,992	-	-	-	-	55,992
Loans to customers (i)	7,487,932	3,795,221	33,781,367	108,991,620	238,692,197	21,764,398	155,221,889	569,734,624
Investment securities (i)	-	-	1,162,675	7,086,628	47,850,598	32,272,830	32,717,512	121,090,243
Long-term investments (i)	-	-	-	-	-	-	7,746,467	7,746,467
Fixed assets	-	-	-	-	-	-	5,326,341	5,326,341
Other assets (i)	175,724	91	9,468,664	-	-	-	-	9,644,479
Total assets	7,663,656	3,795,312	166,923,781	132,368,248	286,627,022	54,721,854	201,309,209	853,409,082
Liabilities								
Due to the Government and the State Bank of Vietnam	-	-	7,954,853	-	-	-	-	7,954,853
Deposits and borrowings from other credit institutions	-	-	80,716,304	14,077,690	198,756	462	-	94,993,212
Deposits from customers	-	-	279,554,867	117,331,537	137,543,298	4,710,045	-	539,139,747
Funds and entrusted investments received from the Government, international and other credit institutions	-	-	-	1,927	7,323	15,278	3,480	28,008
Valuable papers issued	-	-	-	1,999,951	71,949,736	27,668,769	29,699	101,648,155
Other liabilities	-	-	21,614,533	-	-	-	-	21,614,533
Total liabilities	-	-	389,840,557	133,411,105	209,699,113	32,394,554	33,179	765,378,508
Net liquidity gap	7,663,656	3,795,312	(222,916,776)	(1,042,857)	76,927,909	22,327,300	201,276,030	88,030,574

(i) These items do not include the allowance.

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

43 FINANCIAL RISK MANAGEMENT (continued)

(c) Liquidity risk (continued)

Unit: VND million

	Overdue		Current					Total
	Over 3 months	Up to 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	Over 5 years	
As at 31 December 2023								
Assets								
Cash on hand, gold and gemstones	-	-	6,909,295	-	-	-	-	6,909,295
Balances with the State Bank of Vietnam	-	-	18,504,709	-	-	-	-	18,504,709
Deposits with and loans to other credit institutions (i)	-	-	97,143,554	13,208,029	78,000	556,400	240,000	111,225,983
Held-for-trading securities (i)	-	-	5,879,766	-	-	-	-	5,879,766
Loans to customers (i)	4,840,179	3,925,416	28,568,468	77,011,701	217,065,381	22,863,780	127,001,213	481,276,138
Investment securities (i)	-	-	2,396,815	5,970,674	20,679,947	8,890,378	35,525,533	73,463,347
Long-term investments (i)	-	-	-	-	-	-	4,746,467	4,746,467
Fixed assets	-	-	-	-	-	-	4,680,080	4,680,080
Other assets (i)	176,598	102	10,452,111	-	-	-	-	10,628,811
Total assets	5,016,777	3,925,518	169,854,718	96,190,404	237,823,328	32,310,558	172,193,293	717,314,596
Liabilities								
Due to the Government and the State Bank of Vietnam	-	-	88	-	-	-	-	88
Deposits and borrowings from other credit institutions	-	-	74,184,721	9,794,351	335,735	923	-	84,315,730
Deposits from customers	-	-	244,381,386	104,027,998	131,037,851	4,202,018	-	483,649,253
Derivatives and other financial liabilities	-	-	117,126	-	-	-	-	117,126
Funds and entrusted investments received from the Government, international and other credit institutions	-	-	-	3,531	9,325	23,173	5,505	41,534
Valuable papers issued	-	-	900,000	4,598,904	25,583,348	21,082,907	227,244	52,392,403
Other liabilities	-	-	21,947,038	-	-	-	-	21,947,038
Total liabilities	-	-	341,530,359	118,424,784	156,966,259	25,309,021	232,749	642,463,172
Net liquidity gap	5,016,777	3,925,518	(171,675,641)	(22,234,380)	80,857,069	7,001,537	171,960,544	74,851,424

(i) These items do not include the allowance.

**NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

43 FINANCIAL RISK MANAGEMENT (continued)

(d) Fair value of financial assets and financial liabilities

Circular No. 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance requires the Bank to disclose the measurement method and related information about fair value of financial assets and financial liabilities for the purpose of comparing book values and fair values of these financial instruments.

The Bank has not determined fair values of these financial instruments for disclosure in these separate financial statements because there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards, the Vietnamese Accounting System and the relevant statutory requirements on preparation and presentation of separate financial statements applicable to credit institutions. The fair values of these financial instruments may differ from their carrying amounts.

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NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

44 SEGMENT REPORTING

Geographical segments

The Bank reports segment information by main regions in Vietnam as follows:

	2024				
	The Northern region VND million	The Central region VND million	The Southern region VND million	Elimination VND million	Total VND million
Income					
1. Interest and similar income	13,501,940	8,654,378	92,344,876	(64,812,673)	49,688,521
<i>External interest and similar income</i>	7,076,708	6,376,468	36,235,345	-	49,688,521
<i>Internal interest and similar income</i>	6,425,232	2,277,910	56,109,531	(64,812,673)	-
2. Fee and commission income	259,393	89,264	4,727,264	-	5,075,921
3. Other income	131,027	141,363	2,527,630	-	2,800,020
Expenses					
1. Interest and similar expenses	(9,352,014)	(6,183,190)	(72,024,120)	64,812,673	(22,746,651)
<i>External interest and similar expenses</i>	(3,082,277)	(1,083,870)	(18,580,504)	-	(22,746,651)
<i>Internal interest and similar expenses</i>	(6,269,737)	(5,099,320)	(53,443,616)	64,812,673	-
2. Depreciation and amortisation expenses	(24,615)	(28,344)	(355,379)	-	(408,338)
3. Other expenses	(1,490,717)	(1,066,519)	(10,134,194)	-	(12,691,430)
Operating profit before allowance expenses for credit losses	3,025,014	1,606,952	17,086,077	-	21,718,043
Allowance expenses for credit losses	(141,014)	(229,540)	(1,228,525)	-	(1,599,079)
Profit before tax	2,884,000	1,377,412	15,857,552	-	20,118,964

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

44 SEGMENT REPORTING (continued)

Geographical segments (continued)

	2023				
	The Northern region VND million	The Central region VND million	The Southern region VND million	Elimination VND million	Total VND million
Income					
1. Interest and similar income	14,083,721	9,646,887	98,806,175	(70,773,264)	51,763,519
<i>External interest and similar income</i>	7,190,295	7,066,285	37,506,939	-	51,763,519
<i>Internal interest and similar income</i>	6,893,426	2,580,602	61,299,236	(70,773,264)	-
2. Fee and commission income	213,326	74,150	4,328,078	-	4,615,554
3. Other income	104,508	66,840	4,734,018	-	4,905,366
Expenses					
1. Interest and similar expenses	(10,236,703)	(6,942,529)	(80,947,253)	70,773,264	(27,353,221)
<i>External interest and similar expenses</i>	(4,304,288)	(1,552,931)	(21,496,002)	-	(27,353,221)
<i>Internal interest and similar expenses</i>	(5,932,415)	(5,389,598)	(59,451,251)	70,773,264	-
2. Depreciation and amortisation expenses	(25,076)	(26,355)	(317,198)	-	(368,629)
3. Other expenses	(1,439,534)	(1,076,393)	(9,829,539)	-	(12,345,466)
Operating profit before allowance expenses for credit losses	2,700,242	1,742,600	16,774,281	-	21,217,123
Allowance expenses for credit losses	(130,558)	(213,308)	(1,439,154)	-	(1,783,020)
Profit before tax	2,569,684	1,529,292	15,335,127	-	19,434,103

NOTES TO THE SEPARATE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

44 SEGMENT REPORTING (continued)

Geographical segments (continued)

As at 31 December 2024					
	The Northern region VND million	The Central region VND million	The Southern region VND million	Elimination VND million	Total VND million
Assets					
1. Cash on hand, gold and gemstones	684,521	555,727	4,456,196	-	5,696,444
2. Fixed assets	97,374	145,996	5,082,971	-	5,326,341
3. Other assets	116,845,348	82,855,519	786,829,771	(151,122,018)	835,408,620
	117,627,243	83,557,242	796,368,938	(151,122,018)	846,431,405
Liabilities					
1. External liabilities	97,604,781	37,296,688	620,674,736	-	755,576,205
2. Internal liabilities	17,145,191	44,896,248	90,319,616	(151,122,018)	1,239,037
3. Other liabilities	8,985	8,875	8,545,406	-	8,563,266
	114,758,957	82,201,811	719,539,758	(151,122,018)	765,378,508

As at 31 December 2023					
	The Northern region VND million	The Central region VND million	The Southern region VND million	Elimination VND million	Total VND million
Assets					
1. Cash on hand, gold and gemstones	632,267	630,498	5,646,530	-	6,909,295
2. Fixed assets	158,611	408,616	4,112,853	-	4,680,080
3. Other assets	105,456,903	72,178,954	665,755,260	(143,265,571)	700,125,546
	106,247,781	73,218,068	675,514,643	(143,265,571)	711,714,921
Liabilities					
1. External liabilities	92,732,816	33,175,043	506,084,072	(713)	631,991,218
2. Internal liabilities	10,950,881	38,520,177	95,232,343	(143,264,858)	1,438,543
3. Other liabilities	11,530	11,244	9,010,637	-	9,033,411
	103,695,227	71,706,464	610,327,052	(143,265,571)	642,463,172


Phuong The An
Preparer

Duong Thi Nguyet
Chief AccountantTu Tien Phat
General Director
24 February 2025

