

SAI GON – HA NOI COMMERCIAL JOINT STOCK BANK

CONSOLIDATED FINANCIAL STATEMENTS

For the period from 1 January 2024 to 31 December 2024

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GENERAL INFORMATION

Saigon – Hanoi Commercial Joint Stock Bank (“the Bank”) is a commercial joint stock bank incorporated and registered in Vietnam. The Bank was established pursuant to the Operation License No. 0041/NH-GP dated 13 November 1993.

Currently, the Bank operates under the Establishment and Operation License No. 115/GP-NHNN dated 30 November 2018 issued by the SBV which has been amended several times and the last amendment is according to Decision No. 1669/QĐ-NHNN dated 07 September 2023, and Enterprise Registration Certificate No. 1800278630 dated 10 December 1993 by the Hanoi Authority for Planning and Investment which was amended for the 35th time on 02 July 2024. The Bank’s term of operation is 99 years since 13 November 1993.

The members of the Board of Directors, Board of Supervisors, Board of Management and Chief Accountant of the Bank during the period and to the date of this report are as follows:

Board of Directors

Mr. Do Quang Hien	Chairman
Mr. Do Duc Hai	Vice Chairman (resigned member of Board of Directors from 25 April 2024 to focus on working at the Board of Management according to the Law on Credit Institutions 2024)
Mr. Do Quang Vinh	Vice Chairman
Mr. Thai Quoc Minh	Member
Ms. Ngo Thu Ha	Member
Mr. Pham Viet Dan	Member
Mr. Do Van Sinh	Independent Member
Mr. Haroon Anwar Sheikh	Independent Member (resigned from 25 April 2024)

Board of Supervisors

Mr Pham Hoa Binh	Head of Board of Supervisors
Ms. Le Thanh Cam	Member
Mr. Vu Xuan Thuy Son	Member

Board of Management and Chief Accountant

Ms. Ngo Thu Ha	Chief Executive Officer
Mr. Le Dang Khoa	Deputy General Director
Mr. Nguyen Huy Tai	Deputy General Director
Ms. Ninh Thi Lan Phuong	Deputy General Director
Ms. Hoang Thi Mai Thao	Deputy General Director (resigned from 11 Oct 2024)
Mr. Do Duc Hai	Deputy General Director
Mr. Do Quang Vinh	Deputy General Director
Mr. Luu Danh Duc	Deputy General Director (resigned from 18 Dec 2024)
Ms. Ngo Thi Van	Chief Accountant

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
As at 31 Dec 2024

Unit: VND million

Items	Notes	Closing balance	Opening balance
A. ASSETS			
I Cash	5	1.563.509	1.370.849
II Balances with the State Bank of Vietnam ("SBV")	6	27.440.936	54.763.646
III Placements with and loans to other credit institutions	7	117.348.823	63.548.928
1 Placements with other credit institutions		92.635.563	54.825.905
2 Loans to other credit institutions		24.713.260	8.841.433
3 Provisions for credit losses of loans to other credit institutions		-	(118.410)
IV Trading securities	8	4.910.456	7.792.742
1 Trading securities		4.949.608	7.853.152
2 Provisions for impairment of trading securities		(39.152)	(60.410)
V Derivative financial instruments and other financial assets	9	-	-
VI Loans to customers		510.998.820	429.362.729
1 Loans to customers	10	519.949.991	438.464.147
2 Provisions for credit losses of loans to customers	11	(8.951.171)	(9.101.418)
VII Investment securities		32.336.908	32.063.660
1 Available for sale investment securities	12,1	14.956.915	14.373.759
2 Held to maturity investment securities	12,2	17.812.962	17.833.636
3 Provisions for impairment of investment securities		(432.969)	(143.735)
VIII Capital contribution, long term investments	13	438.197	414.448
1 Investment in subsidiaries		-	-
2 Investment in associates		363.920	343.172
3 Other long term investments		158.272	158.272
4 Provisions for impairment of long term investments		(83.995)	(86.996)
IX Fixed assets		5.328.025	5.229.416
1 Tangible fixed assets	14,1	826.882	734.978
a Cost		1.580.969	1.528.503
b Accumulated depreciation		(754.087)	(793.525)
2 Financial lease fixed assets		-	-
a Cost		-	-
b Accumulated depreciation		-	-
3 Intangible assets	14,2	4.501.143	4.494.438
a Cost		4.863.891	4.825.929
b Accumulated amortisation		(362.748)	(331.491)
X Estate Investments		-	-
a Cost		-	-
b Accumulated depreciation		-	-
XI Other assets		46.878.174	35.954.267
1 Other receivables		33.485.000	18.860.662
2 Interest and fee receivable		12.126.090	13.949.182
3 Deferred tax assets		-	-
4 Other assets	15	1.385.896	3.230.825
5 Provision for impairment of other asset		(118.812)	(86.402)
TOTAL ASSETS		747.243.848	630.500.685

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 Dec 2024

Unit: VND million

Items	Notes	Closing balance	Opening balance
B LIABILITIES AND OWNERS' EQUITY			
I Borrowings from the Government and the State Bank of Vietnam		1.242.864	1.333.658
1 Deposits and borrowings from the Government and the State Bank of Vietnam		1.242.864	1.333.658
II Deposits and borrowings from other credit institutions	16	134.090.488	70.766.294
1 Deposits from other credit institutions		123.725.569	65.286.090
2 Borrowings from other credit institutions		10.364.919	5.480.204
III Deposits from customers	17	499.897.447	447.503.426
IV Derivative financial instruments and other financial liabilities	9	61.927	97.152
V Grant, trusted funds and borrowings where the Bank bears risk	18	1.429.650	1.611.235
VI Valuable papers issued		39.248.195	42.821.727
VII Other liabilities	19	13.423.757	16.268.913
1 Accrued fee and interest expenses		10.602.204	14.025.631
2 Deferred tax liability		-	36.030
3 Other payable and liabilities		2.821.553	2.207.252
4 Provision for off-balance sheet commitments and other payables		-	-
TOTAL LIABILITIES		689.394.328	580.402.405
VIII CAPITAL AND RESERVES	20	57.849.520	50.098.280
1 Contributed capital		38.073.428	37.638.324
a Charter capital		36.629.085	36.193.981
b Share premium		1.449.603	1.449.603
c Treasury shares		(5.260)	(5.260)
2 Reserves		5.359.627	5.138.098
3 Difference of asset revaluation		(530.940)	(689.038)
4 FX reserves		-	-
5 Retained earnings		14.947.405	8.010.896
VIII MINORITY INTEREST		-	-
TOTAL LIABILITIES AND OWNERS' EQUITY		747.243.848	630.500.685

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)
 As at 31 Dec 2024

OFF-BALANCE-SHEET ITEMS

Unit: VND million

Note	Description	Notes	Closing balance	Opening balance
		26		
1	Potential liabilities		103.659.598	86.228.179
1	Credit guarantees		30.089	55.050
2	FX transactions commitments		5.978.317	15.454.640
	<i>Buying foreign currency commitments</i>		257.179	805.070
	<i>Selling foreign currency commitments</i>		746	814.380
	<i>Cross currency swap contracts</i>		5.720.392	13.835.190
3	Letters of credit commitments		26.273.778	5.085.207
4	Other guarantees		17.927.463	18.477.630

Prepared by



Tran Thanh Thuy

Approved by *gh*



Ngo Thi Van
 Chief Accountant

Approved by



Ngo Thu Ha
 General Director

20 Jan 2025

CONSOLIDATED INCOME STATEMENT

For the year ended 31 Dec 2024

Items	Notes	Quarter IV		Accumulated from beginning	
		2024	2023	2024	2023
1 Interest and similar income	21	15.893.687	14.719.330	50.501.004	57.589.391
2 Interest and similar expenses	22	(7.609.876)	(9.807.050)	(29.373.275)	(38.304.038)
I Net interest income		8.283.811	4.912.280	21.127.729	19.285.353
3 Income from services		784.710	276.861	1.557.675	912.654
4 Expenses on services		(29.782)	(121.447)	(286.112)	(367.727)
II Net profit from services	23	754.928	155.414	1.271.563	544.927
III Net gain from trading of foreign currencies		38.517	45.015	86.282	282.207
IV Net gain from trading securities		2.141	10.328	3.329	11.122
V Net (loss)/gain from investment securities		(109.984)	(11.908)	(133.582)	27.981
5 Other operating income		555.722	295.549	1.278.874	501.021
6 Other operating expenses		(127.340)	(19.863)	(176.648)	(67.385)
VI Net profit from other activities		428.382	275.686	1.102.226	433.636
VII Income from capital contribution, equity investments		6.178	58.648	20.908	743.171
VIII Operating expenses	24	(2.276.373)	(1.209.028)	(5.749.311)	(5.051.539)
IX Net profit from operating activities before credit provision expenses		7.127.600	4.236.435	17.729.144	16.276.858
X Provision expenses for credit losses		(4.632.726)	(3.506.955)	(6.186.137)	(7.037.837)
XI Profit before tax		2.494.874	729.480	11.543.007	9.239.021
7 Current corporate income tax expense		(513.275)	(290.270)	(2.326.961)	(1.908.466)
8 Differed tax income		-	(5.797)	-	(5.797)
XII Corporate income tax expense		(513.275)	(296.067)	(2.326.961)	(1.914.263)
XIII Profit after corporate income tax		1.981.599	433.413	9.216.046	7.324.758

Prepared by

Tran Thanh Thuy

Approved by *gh*

Ngo Thi Van
Chief Accountant

Approved by



Ngo Thu Ha
General Director

20 Jan 2025

CONSOLIDATED CASH FLOW STATEMENT
For the year ended 31 Dec 2024

Unit: VND million

Items	No	Accumulated from beginning	
		2024	2023
CASH FLOWS FROM OPERATING ACTIVITIES			
1	01	52.258.477	58.898.319
2	02	(32.796.701)	(33.347.727)
3	03	1.337.182	582.559
4	04	224.005	425.519
5	05	622.885	243.550
6	06	478.098	190.201
7	07	(5.580.229)	(4.945.722)
8	08	(1.863.214)	(2.437.226)
Net cash from operating profit before movements in assets and working capital		14.680.503	19.609.473
Movement in operating assets		(114.448.283)	(55.153.267)
9	10	(16.076.974)	1.709.924
10	11	2.341.062	(7.004.389)
11	12	-	269.772
12	13	(81.485.845)	(52.830.933)
13	14	(6.574.492)	(4.465.088)
14	15	(12.652.034)	7.167.447
Movement in operating liabilities		110.031.053	76.314.211
15	16	(90.794)	(8.381.535)
16	17	63.324.194	(7.517.641)
17	18	52.394.022	85.827.834
18	19	(3.573.532)	6.381.519
19	20	(181.584)	(4.370)
20	21	(35.225)	97.152
21	22	(1.806.028)	(88.748)
22	23		
NET CASH FLOWS FROM OPERATING ACTIVITIES		10.263.273	40.770.417

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK

No. 77 Tran Hung Dao, Tran Hung Dao Ward

Hoan Kiem District, Hanoi, S.R. Vietnam

CONSOLIDATED CASH FLOW STATEMENT (Continued)

For the year ended 31 Dec 2024

Unit: VND million

Items	No	Accumulated from beginning	
		2024	2023
I Net cash (used in)/generated by operating activities			
1 Acquisition of fixed assets	25	(210.659)	(240.841)
2 Proceeds from sales, disposal of fixed assets	26	2.474	1.780
3 Expenses on sales, disposal of fixed assets(*)	27	(1.232)	(1.895)
4 Payments for purchased of investment real estate(*)	28	-	-
5 Proceeds from sales, disposal of investment real estate	29	-	-
6 Expenses on sales, disposal of investment real estate(*)	30	-	-
7 Proceeds from investments in other entities	31	-	-
8 Expenses from investments in other entities	32	-	-
9 Dividends and profit received from long term investments and capital contribution	33	20.908	825.440
II Net cash (used in)/generated by investing activities	34	(188.509)	589.442
CASH FLOWS FROM FINANCIAL ACTIVITIES			
1 Increase equity capital from issuing shares	35	435.104	-
2 Proceeds from the issuance of long-term valuable papers are eligible for inclusion in equity and other long-term loans	36	-	-
3 Expenses from the issuance of long-term valuable papers are eligible for inclusion in equity and other long-term loans	37	-	-
4 Dividends paid to shareholders and profit distribution(*)	38	(35.406)	(165)
5 Expenses from buys of treasury shares(*)	39	-	-
6 Proceeds from sales of treasury shares	40	-	-
III Net cash generated by/(used in) financial activities	41	399.698	(165)
IV Net cash flows for the period	42	10.474.462	41.359.694
V Cash and cash equivalents at the beginning of the period	43	110.859.786	69.500.092
VI Exchange rate revaluation	44	-	-
VII Cash and cash equivalents at the end of the period	45	121.334.248	110.859.786

Prepared by

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Tran Thanh Thuy

Approved by *gh*

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Ngo Thi Van
Chief Accountant

Approved by



Thuê
Ngo Thu Ha
General Director

20 Jan 2025

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK

No. 77 Tran Hung Dao, Tran Hung Dao Ward

Hoan Kiem District, Hanoi, S.R. Vietnam

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS**1. GENERAL INFORMATION****Establishment and Operation**

Saigon – Hanoi Commercial Joint Stock Bank (“the Bank”) is a commercial joint stock bank incorporated and registered in Vietnam.

The Bank was established pursuant to the Operation License No. 0041/NH-GP dated 13 November 1993 issued by the State Bank of Vietnam (“SBV”) with the original name of Nhon Ai Rural Commercial Joint Stock Bank. The Bank was renamed as Saigon – Hanoi Commercial Joint Stock Bank under Decision No 1764/QĐ-NHNN dated 11 September 2009 of the SBV. The Bank successfully merged Hanoi Building Commercial Joint Stock Bank (“HBB”) and Vinaconex – Viettel Finance Joint Stock Company (“VVF”) into its operation in 2012 and 2017, respectively, which is in line with the Restructuring plan of the banking system in Vietnam. Currently, the Bank operates under the Establishment and Operation License No. 115/GP-NHNN dated 30 November 2018 issued by the SBV which has been amended several times and the last amendment is according to Decision No. 1669/QĐ-NHNN dated 07 September 2023, and Enterprise Registration Certificate No. 1800278630 dated 10 December 1993 by the Hanoi Authority for Planning and Investment which was amended for the 35th time on 02 July 2024. The Bank’s term of operation is 99 years since 13 November 1993.

The principal activities of the Bank are mobilizing and receiving short, medium and long-term deposit funds from organizations and individuals; lending on short, medium and long-term basis up to the nature and ability of the Bank’s capital resources; conducting settlement and cash services and other banking services as approved by the SBV; conducting investments in subsidiaries, associates, joint-ventures and other companies; conducting investments in bonds and dealing in foreign exchange in accordance with applicable regulations.

Charter capital

As at 31 December 2024, the Bank’s charter capital is VND 36.629.085 million.

Operating network

The Head Office of the Bank is located at 77 Tran Hung Dao Street, Tran Hung Dao Ward, Hoan Kiem District, Hanoi, Vietnam. At 31 December 2024, the Bank has one (1) Head office, sixty-three (63) branches and two hundred and thirty (230) transaction offices.

Employees

The total number of officers and employees of the Bank as of 31 December 2024 was 6.651 (as at 31 December 2023 was 6,246)

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Subsidiaries

As at 31 December 2024, the Bank has eleven (03) subsidiaries as follows:

No	Name	Established in accordance with	Nature of business	Proportion of ownership
1	SHB Debt Management and Asset Development One Member Company Limited ("SHB AMC")	Enterprise Registration Certificate No. 0103811666 by Hanoi Authority for Planning and Investment dated 04 May 2009 and the 5 th Amendment dated 25 June 2019	Debt and Asset management	100.00%
2	Saigon – Hanoi Bank Laos Limited ("SHB Laos")	Enterprise Registration Certificate No. 554/2018/VC-SHB.LAO by Bank of the Lao P.D.R dated 08 July 2015 and the 3 rd Amendment dated 22 May 2024	Finance/Banking	100.00%
3	Saigon – Hanoi Bank Cambodia Limited ("SHB Cambodia")	Operation License No. B.35 dated 31 October 2016 issued by the National Bank of Cambodia and Registration Certificate No. MOC-6193635 by Cambodia's Ministry of Commerce dated on 13 March 2017	Finance/Banking	100.00%

Associates

As at 31 December 2024, the Bank has one (01) associate as follows:

No	Name	Established in accordance with	Nature of business	Proportion of ownership
1	SHBank Finance Company Limited ("SHB FC")	Registration Certificate No. 21/GP-NHNN by the State Bank of Viet Nam dated 25 April 2023 and Registration Certificate No. 0107779290 by Hanoi Authority for Planning and Investment dated 28 March 2017, the 9 th amendment dated 18 January 2024	Consumer lending	50.00%

2. ACCOUNTING CONVENTION AND ACCOUNTING PERIOD

Accounting convention

The accompanying consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting. The figures are rounded to and presented in millions of Vietnam Dong (VND Million).

Accounting period

The Bank's financial year begins on 01 January and ends on 31 December. The accompanying consolidated financial statements were prepared for the 12-month period ended 31 December 2024.

3. ADOPTION OF NEW ACCOUNTING GUIDANCE

Circular No. 06/2024/TT-NHNN dated 18 June 2024

On 18 June 2024, the SBV issued Circular No. 06/2024/TT-NHNN (“Circular 06”) amending and supplementing a number of articles of Circular No. 02/2023/TT-NHNN (“Circular 02”) dated 23 April 2023 of the SBV regulates credit institutions to restructure debt repayment terms and maintain the same debt group to support customers in difficulty. Accordingly, Circular 06 stipulates that the restructuring of debt repayment terms for customers according to the provisions of this Circular will be implemented from the effective date of this Circular until 31 December 2024. Circular 06 takes effect from 18 June 2024.

Law on Credit Institutions No. 32/2024/QH15 dated 18 January 2024

On 18 January 2024, the National Assembly issued the Law on Credit Institutions No.32/2024/QH15 (“Credit Institutions Law 2024”) regulating the establishment, organization, operation, and early intervention, special control, reorganization, dissolution, bankruptcy of credit institutions; handling of bad debts and collateral for bad debts of credit institutions. The Credit Institutions Law 2024 takes effect from 01 July 2024, replacing the Law on Credit Institutions No. 47/2010/QH12 dated 16 June 2010 and the Law No. 17/2017/QH14 dated 20 November 2017 amending and supplementing a number of Articles of the Law on Credit Institutions, except for certain provisions effective from 01 January 2025.

Circular No. 21/2024/TT-NHNN dated 28 June 2024

On 28 June 2024, the SBV issued Circular No. 21/2024/TT-NHNN (“Circular 21”) regulating letter of credit (L/C) operations and other business activities of credit institutions related to letters of credit. Circular 21 includes regulations on credit risk classification, provisioning levels and methods, and the use of provisions to handle credit risks of commitments and assets in credit granting for L/C operation, in performing the purchase without recourse of the set of documents required to be presented under L/C, and in entrusting the issuance of L/C according to legal regulations on asset classification, risk provisioning levels and methods, and the use of provisions to handle risks in the operations of banks and foreign bank branches. Circular 21 takes effect from 01 July 2024.

Circular No. 31/2024/TT-NHNN dated 30 June 2024

On 30 June 2024, the SBV issued Circular No. 31/2024/TT-NHNN (“Circular 31”) regulating the classification of assets in the operations of commercial banks, non-bank credit institutions, and foreign bank branches. Circular 31 replaces Circular No. 11/2021/TT-NHNN dated 30 July 2021 (“Circular 11”) of the State Bank of Vietnam regulating asset classification, risk provisioning levels and methods, and the use of provisions to handle risks in the operations of credit institutions and foreign bank branches. Circular 31 takes effect from 01 July 2024.

Decree No. 86/2024/ND-CP dated 11 July 2024

On 11 July 2024, the Government issued Decree No. 86/2024/ND-CP (“Decree 86”) regulating the risk provisioning levels and methods, and the use of provisions to handling risks in the operations of credit institutions, foreign bank branches and cases where credit institutions are required to derecognize interest receivables that had been recorded. Decree 86 takes effect from 11 July 2024.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies which have been adopted by the Bank in the preparation of these consolidated financial statements, are as follows:

Estimates

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

The preparation of the consolidated financial statements in conformity with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenues and expenses during the accounting period. Although these accounting estimates are based on the Board of Management's best knowledge, actual results may differ from those estimates and assumptions.

Basis of consolidation

The consolidated financial statements incorporate the separate financial statements of the Bank and the financial statements of the enterprises/bank controlled by the Bank ("its subsidiaries"). Control is achieved when the Bank has the power to govern the financial and operating policies of investee enterprises so as to obtain benefits from their activities.

The operating results of subsidiaries acquired or disposed of during the year are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the financial statements of subsidiaries to bring the accounting policies used in line with those used by the Bank. All internal transactions and balances between the Bank and its subsidiaries and among subsidiaries are eliminated in the consolidated financial statements.

Business combinations

Upon acquisition, the assets, liabilities and contingent liabilities of the subsidiaries are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is credited to profit and loss in the year of acquisition.

Investments in Associates

An associate is an entity over which the Bank has significant influence but not a subsidiary or joint venture of the Bank. Significant influence is the power to participate in the financial and operating policy decisions of the investee without the power to control or joint control over those policies.

The operating results, assets and liabilities of associates are consolidated in the consolidated financial statements using the equity method of accounting. Under this method, an equity investment is initially recorded at cost and is subsequently adjusted to reflect by post-acquisition changes in the Bank's share of the net assets of the associates. The associate losses exceeding the Bank's capital contribution to that associate (including any long-term contributions, in substance, form part of the Bank's net investment in the associate) are not recorded.

In the situation that a Bank's subsidiary has conducted transactions with its associate, unrealised profits and losses resulting from these transactions should be eliminated from the consolidated financial statements proportionately to the extent of the Bank's contribution in the associate.

Foreign currencies

The Bank maintains its accounting system and records all transactions in original currencies. Monetary assets and liabilities denominated in foreign currencies are translated into VND using exchange rates ruling at the separate statement of financial position date. Nonmonetary items arising in foreign currencies during the period are converted into VND at rates ruling on the transaction dates. Foreign exchange differences arising from the translation of monetary assets and liabilities into VND in the period

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

are recognized and followed in the "Exchange rate revaluation" item under "Shareholders' equity" in the separate statement of financial position and will be transferred to the consolidated statement of profit or loss at yearend.

Cash and cash equivalents

Cash and cash equivalents comprise cash, current accounts at the SBV, current accounts and time deposits with term of three months or less from the deposit date.

Placements with and loans to other credit institutions

Placements with and loans to other credit institutions are presented at their principal amounts outstanding at the end of the reporting period.

Placements with and loans to other credit institutions are classified and provisioned in accordance with the provisions of Circular 31 of the SBV. Accordingly, the Bank makes specific provisions for deposits (except for current deposits) at other credit institutions and foreign bank branches as prescribed by law, and deposits at overseas credit institutions and loans to other credit institutions in a similar way to those for loans to customers.

Derivatives

Foreign currency forward and swap contracts

For foreign currency forward and swap contracts, the difference between equivalent VND amounts of foreign currency purchase/sale commitments using forward exchange rate and spot exchange rate as at effective date of the contract is recognized immediately at the effective date of the contract under "Interest and fee receivables" item or "Interest and fee payables" item in the separate statement of financial position. The difference is subsequently allocated to "Net gain/(loss) from trading foreign currency" item over the term of the contract.

As at the date of the separate financial statements, commitments of foreign currency forward and swap contracts are revaluated and exchange differences arising from the revaluation of foreign currency denominated balances of these contracts are recognized in the separate income statement.

Interest rates swap contracts

Commitments of one-currency-interest-rate swap contracts are not recognised in the separate statement of financial position. For two-currency-interest-rate swap contracts with nominal principal swap, commitments are recognised in the separate statement of financial position. Income and expenses arising from interest rate effects are recognised on an accrual basis. For two-currency-interest-rate swap contracts without nominal principal swap, commitments are recognised in the separate statement of financial position at the date of the principal exchange. Income and expenses arising from interest rate effects are recognised on the accrual basis.

Loans to customers

Loans to customers are disclosed and presented at their principal amounts outstanding at the end of the reporting period.

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Provision for credit losses

Classification of loans and provision for credit losses

In accordance with Circular 31 and Decree 86, credit institutions are required to implement loan classification and credit risk provisioning. Loan classification and credit risk provisioning in compliance with Circular 31 are applied to Assets (hereinafter referred to as "debits") including:

- Loans;
- Financial leasing;
- Discounts, rediscounts of negotiable instruments and other valuable papers;
- Factoring;
- Credit facilities in the form of credit card issuance;
- On-behalf payments under off-balance sheet commitments (including payments made on behalf of customers to fulfill their obligations under guarantee agreements and in letter of credit (L/C) operations (except for the cases specified in point n of this Clause) and other on-behalf payments under off-balance sheet commitments);
- Amounts for purchase and entrustment of purchase of corporate bonds (including bonds issued by other credit institutions) which have not yet been listed on stock exchanges or have not yet been registered for trading on the UPCoM trading system (hereinafter referred to as unlisted bonds), excluding the purchase of unlisted bonds with trusted funds to which the trustee bears the risk;
- Credit granting entrustment;
- Deposits (except for current accounts and deposits at Vietnam Bank for Social Policies following the SBV's regulations on maintaining the balance of deposits at Vietnam Bank for Social Policies of state-owned credit institutions) at credit institutions and foreign banks branches as prescribed by law and deposits at overseas credit institutions;
- Buying and selling debts according to regulations of the State Bank of Vietnam (hereinafter referred to as "SBV"), except for bad debt buying and selling transactions conducted between credit institutions or FBBs and Vietnam Asset Management Company (VAMC);
- Repos of Government bonds in the stock market following the law on issuance, registration, depository, listing and trading of Government debt instruments in the stock market;
- Purchase of promissory notes, bills and certificates of deposit issued by other credit institutions and foreign banks' branches.
- Issuance of deferred payment L/Cs containing a provision that the beneficiary is entitled to receive sight payment or advanced payment before the L/C due date, and L/C reimbursement in the form of an agreement with the customer to make payment using the reimbursing bank's funds from the date on which the reimbursing bank pays the beneficiary; L/C payment by negotiation;
- Outright purchase without recourse of sets of documents presented under L/Cs, except where a commercial bank or FBB buys outright a set of documents presented under an L/C which it issued.

Accordingly, customers' loans are determined to be in the highest risk group of the classification under Circular 31 and customers' highest debt group at credit institutions provided by the Credit Information Center ("CIC") of the SBV at the time of loan classification.

Loans are classified by risk level into: Standard, Special-mentioned, Sub-standard, Doubtful and Loss. Loans classified as either Sub-standard, Doubtful or Loss are considered as bad debts.

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Net credit risk exposure for each item is calculated by subtracting from the outstanding loan balance the discounted value of collateral which is subject to discount rates in accordance with Decree 86. The specific provision is made based on the net credit risk exposure of each item using the prescribed provision rates as follows:

Group	Category	Provision rate
1	Standard	0%
2	Special-mentioned	5%
3	Sub-standard	20%
4	Doubtful	50%
5	Loss	100%

According to Circular 02, the Bank is required to make specific provision for debts to customers whose repayment terms are rescheduled as prescribed in this Circular as follows:

- Up to 31 December 2023: by at least 50% of the specific provision to be additionally made; and
- Up to 31 December 2024: 100% of the specific provision to be additionally made.

Investments

Trading securities

Trading securities are debt securities that the Bank has bought and had the intention to sell in the near future to gain benefits from price differences. Trading securities are recorded at cost at the transaction date and subsequently recorded at cost during the holding period. Interest earned during the holding period of trading securities is recorded on a cash basis in the separate income statement.

These securities are subject to impairment review at the date of the separate financial statements. Provisions for securities that are stipulated in the scope of Circular 31 are made in accordance with Decree 86 (as described in the summary of significant accounting policies for "Provision for credit risks"). Provisions for impairment of securities that are not stipulated in the scope of Circular 31 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recorded in the separate income statement as "Net gain/(loss) from trading securities".

Investment securities

Available-for-sale investment securities

Available-for-sale investment securities include debt and equity securities that the Bank holds less than 11% of voting rights for investment and ready-for-sale purposes. These securities are not frequently traded but can be sold at anytime once they are profitable, and the Bank is neither the founding shareholder/strategic partner nor capable of controlling, to some extent, the process of initiating and approving financial and operating policies of the investees, which is evidenced by a written agreement on delegating personnel for representation in the Board of Directors/Board of Management.

Available-for-sale equity securities are recognized at cost at the transaction date and subsequently recognized at cost during the holding period.

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Available-for-sale debt securities are initially recognized at par value at the transaction date. Accrued interest before the acquisition date (for debt securities with interest payment in arrears) or interest income received upfront awaiting amortisation (for debt securities with interest payment in advance) is recorded in a separate account. Any discount or premium, which is the difference between the cost and the amount equal to par value plus (+) accrued interest before the acquisition date (if any) or minus (-) interest received upfront awaiting amortisation (if any), is also recorded in a separate account.

Periodically, available-for-sale investment securities are subject to impairment review. Provision for securities that are stipulated in the scope of Circular 31 are made in accordance with Decree 86 (as described in the summary of significant accounting policies for "Provision for credit risks"). Provision for impairment of securities that are not stipulated in the scope of Circular 11 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recorded in the separate income statement as "Net gain/(loss) from investment securities".

Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities that the Bank purchases for investment purpose to gain interest and the Bank has the intention and the capacity to hold the securities until maturity. Held-to-maturity securities have determinable value and fixed maturity dates. In case of being sold before maturity, they will be reclassified as trading or available-for-sale securities. Held-to-maturity investment securities are recognized similarly to available-for-sale debt securities.

Periodically, held-to-maturity investment securities are subject to impairment review. Provision for securities that are stipulated in the scope of Circular 11 are made in accordance with Circular 11 (as described in the summary of significant accounting policies for "Provision for credit risks"). Provision for impairment of securities that are not stipulated in the scope of Circular 11 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recognized in the separate income statement as "Net gain/(loss) from investment securities".

Reclassification

According to Official Letter No. 2601/NHNN-TCKT dated 14 April 2009 by the SBV, reclassification after transaction date is made only once for each item of investment securities. In special cases or in case a large number of securities has to be reclassified (greater than or equal to 50% of total value of the portfolio), the Bank will disclose the effect of reclassification on total assets, liabilities, equity, income and expenses of the Bank in the separate financial statements.

Other long-term investments

Other long-term investments represent the Bank's capital investments in other enterprises at which the Bank either owns less than 11% of the voting rights or is a founding shareholder; or a strategic partner; or is capable of controlling, to some extent, the process of initiating and approving financial and operating policies of the investees, which is evidenced by a written agreement on delegating personnel for representation in the Board of Directors/Board of Management. The investments are initially recognized at cost at the transaction date and always carried at that cost during the subsequent holding period.

Provision for impairment of capital contribution, long-term investments

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

Provision for impairment of investments in capital contribution and long-term investments are made when the investee is operating at loss in accordance with prevailing accounting regulations.

Provision for impairment of capital contribution and long-term investments are recognized as an operating expense in the separate income statement. In case an investment is made in listed shares or the fair value of an investment is reliably determined, the provision is made based on the market value of the stock (similar to the provision for impairment of available-for-sale investment securities).

Recognition

The Bank recognizes investment in securities and other investments at the date when the Bank performs the contractual terms (transaction-date based policy). Investment in securities and other investments are initially recognized at cost. After initial recognition, investment in securities and other investments are recognized under the above-mentioned accounting policies.

Derecognition

Investments in securities and other investments are derecognized when the rights to receive cash flows from the investments end or when the Bank transfers to the buyer the significant risks and rewards associated with the ownership of the investments.

Trust activities and trusted funds

The value of trusted funds is recorded when the trust contracts have been signed and trusted funds have been realised. Rights and obligations of the trustor and trustee relating to profit and profit sharing, trust fee, other rights and obligations are in compliance with the terms of the signed contracts. The assets that are held under custody services are not considered as assets of the Bank and therefore, they are not recognized in the separate financial statements of the Bank.

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed asset comprises all the Bank's purchase price plus any directly attributable costs of bringing the asset to the working condition for its intended use.

Expenditures for additions and improvements are capitalized and expenditures for maintenance and repairs are charged to the separate income statement when incurred. When assets are sold or disposed, their cost and accumulated depreciation are written off and any gains or losses resulting from their disposals are recorded in the separate income statement.

Intangible assets

Intangible assets are stated at cost less accumulated amortization. The cost of an intangible asset comprises all the Bank's expenditures paid to acquire the asset until it is put into use.

Expenditures for improvements of intangible assets are capitalized. The expenditures related to intangible assets incurred after the initial recognition and evaluated with certainty, increasing the economic benefits of intangible assets compared to the initial activity level, are capitalized. Other expenditures related to intangible assets incurred after initial recognition are charged to the separate income statement. When intangible assets are sold or disposed, their cost and accumulated amortisation

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

are written off and any gains or losses resulting from their disposals are recorded in the separate income statement.

Leasing

A lease is classified as a finance lease when significant rights and risks relating to ownership of the leased item are transferred to the lessee. All leases other than finance leases are classified as operating leases.

A lease is considered as an operating lease when the lessor still enjoys many of the benefits and is subject to the risk of ownership of the property. The value of the operating leased property is not recognized on the separate statement of financial position. Rentals under operating leases are recorded in "Operating Expenses" on a straight-line basis over in the lease term.

Depreciation and amortization

Depreciation and amortization of tangible fixed assets and intangible assets are calculated on a straight-line basis over the estimated useful lives of the assets, as follows:

<u>Assets</u>	<u>Estimated useful lives (Years)</u>
Buildings and structures	25
Machinery and equipment	03 - 05
Motor vehicles	06 - 10
Office equipment	03 - 07
Other tangible fixed assets	04 - 07
Computer software	03 - 08
Other intangible assets	02 - 20

Land use rights are not amortized if they are granted by the Government of Vietnam for an indefinite term. Land use rights with definite term are amortized over the granted term from 30 - 46 years.

Prepayments

Prepayments include actual expenses that have arisen but are related to the results of business activities of many accounting periods. Prepayments comprise prepaid office rentals and other prepaid expenses.

Office rentals represent the amounts which have been paid in advance. Prepaid office rental is charged to the separate income statement using the straight-line method over the rental period.

Other prepayments include repair, maintenance costs for assets, costs of tools and supplies issued for consumption and other prepaid expenses, which are expected to provide future economic benefits to the Bank. These expenses are capitalized as prepayments and are allocated to the separate income statement using the straight-line method over the period of three years or less in accordance with prevailing accounting regulations.

Receivables

Receivables other than those from credit activities in the Bank's operation are initially recognized at cost and subsequently recorded at cost. Other receivables are subject to impairment review based on the overdue status or based on the expected loss for the following cases: institutional debtors who have fallen into bankruptcy or have been in the process of dissolution; or individual debtors who are missing,

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

escaping, prosecuted, on trial or passed away even though receivables are not overdue. Provision expense incurred is recorded as "Operating expenses" in the separate income statement during the period.

Provision rates for overdue receivables are applied in accordance with the prevailing accounting regulations.

Other provisions

Other provisions are recognized when the Bank has a present obligation as a result of a past event, and it is probable that the Bank will be required to settle that obligation. Other provisions are measured at the Board of Management's best estimate of the expenditure required to settle the obligation at the accounting period.

Revenue and expenses

Interest and similar income/expenses

Interest income from loans to customers and interest expense on borrowings are recognized in the separate income statement on the accrual basis. Accrued interest income arising from the loans that are classified from group 2 to group 5 in accordance with Circular 31, accrued interest income on loans restructured and maintained as Standard loan groups (group 1) as prescribed in Decree 55; Circular 02 and Circular 06 will not be recognized the separate income statement. Accrued interest income on such loans is recorded as an off-balance-sheet item and is recognized in the separate income statement upon actual receipt.

Income from interest on investment securities in securities are recorded on the accrual basis. For accrued interest income on investment securities that are fallen within the scope of Circular 31 and classified from group 2 upwards is not recognized in the separate income statement for the period. These accruals are recorded as an off-balance-sheet items and are only recognized in the separate income statement upon actual receipt.

Income from service charges and commissions

Income from service charges and commissions is recognized on the basis of services provided.

Income from guarantee and L/C commitment activities

Income from guarantee and L/C commitment activities is recognized on the accrual and allocation basis.

Income from trading securities

Income from trading securities is determined based on the difference in selling price and cost of securities sold.

Recognition of dividends and profits received

Cash dividends and profits received from investment and capital contributions activities are recorded in the separate income statement when the Bank's right to receive dividends and profits has been established. Share dividends, which are distributed from profits of joint stock companies, are recognized neither as an increase in the value of received shares nor financial income in the separate financial

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

statements but are only used for tracking the increase in the number of shares according to Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance.

Revenue from other services

When the contract results can be determined reliably, revenue will be recognized based on the level of work completion. If the contract results cannot be determined reliably, revenue will only be recognized at the recoverable level of the recorded expenses.

Offsetting

Financial assets and liabilities are offset, and the net amounts are reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

5. CASH

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Cash on hand in VND	1.263.715	1.116.039
Cash on hand in in foreign currencies	299.794	254.810
	1.563.509	1.370.849

6. BALANCES WITH THE STATE BANK OF VIETNAM

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Balances with the State Bank	27.440.936	54.763.646
	27.440.936	54.763.646

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

7. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Placements with other credit institutions		
Demand deposits	12.693.972	11.894.463
- In VND	12.022.684	9.967.425
- In foreign currencies	671.288	1.927.038
Term deposits	79.941.591	42.931.442
- In VND	73.459.669	42.810.000
- In foreign currencies	6.481.922	121.442
	92.635.563	54.825.905
Loans to other credit institutions		
- In VND	24.713.260	8.841.433
- In foreign currencies	-	-
- Provisions for credit losses	-	(118.410)
	24.713.260	8.723.023
Placements with and Loans to other credit institutions	117.348.823	63.548.928

8. TRADING SECURITIES

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Debt securities	4.945.728	7.849.272
Debt securities issued by domestic business entities	4.945.728	7.849.272
Equity securities	3.880	3.880
Equity securities issued by local business entities	3.880	3.880
	4.949.608	7.853.152
Provision of trading securities	(39.152)	(60.410)
Provision for impairment	(2.059)	(1.540)
General provision	(37.093)	(58.870)
	4.910.456	7.792.742

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

9. DERIVATIVES AND OTHER FINANCIAL ASSETS/(LIABILITIES)

Details of derivatives are as follows:

	<i>Net book value</i> <i>(at exchange rate as at the reporting date)</i> <i>(Million VND)</i>	
	<u>Assets</u>	<u>Liabilities</u>
As at 31 December 2024		
<i>Derivatives</i>		61.927
Forward contracts		21.584
Swap contracts		40.343
As at 31 December 2023		
<i>Derivatives</i>		97.152
Forward contracts		9.083
Swap contracts		88.069

10. LOANS TO CUSTOMERS

10.1. Analysis of loans portfolio by original term

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Short-term loans	204.689.879	184.512.736
Medium-term loans	124.733.647	97.604.740
Long-term loans	190.526.465	156.346.671
	519.949.991	438.464.147

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10.2. Analysis of loans portfolio by type of customer and business ownership

	31/12/2024		31/12/2023	
	<i>VND million</i>	%	<i>VND million</i>	%
Loans to economic entities				
State-owned enterprises	1.334.812	0,26%	1.961.411	0,45%
Limited liability companies	167.549.748	32,22%	126.648.535	28,88%
Joint stock companies in which the State's holding percentage is more than 50% (major shareholding percentage)	4.268.833	0,82%	9.769.747	2,23%
Other joint stock companies	261.101.750	50,22%	213.556.250	48,71%
Partnerships	1.846	0,00%	27.646	0,01%
Private companies	1.774.117	0,34%	5.996.418	1,37%
Foreign invested enterprises	36.382	0,01%	63.057	0,01%
Cooperatives, cooperative unions	47.862	0,01%	30.406	0,01%
Loans to individuals	0	0,00%	0	0,00%
Household business, individuals	83.834.641	16,12%	80.410.677	18,33%
	519.949.991	100,00%	438.464.147	100,00%

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10.3 Analysis of loan portfolio by industry sectors

	31/12/2024		31/12/2023	
	<i>VND million</i>	%	<i>VND million</i>	%
Agriculture, forestry and aquaculture	9.928.660	1,90%	24.197.149	5,52%
Mining	1.156.368	0,22%	1.369.635	0,31%
Manufacturing and processing	39.881.978	7,67%	43.942.645	10,02%
Electricity, gas, hot water, steam and air-conditioning	20.414.796	3,92%	21.424.673	4,89%
Water supply, sanitation and waste treatment and management	631.533	0,12%	402.832	0,09%
Construction	69.993.528	13,47%	69.713.722	15,90%
Wholesale and retail trade; repair of motor vehicles, motor cycles	145.776.794	28,04%	123.776.536	28,23%
Transport, warehouse	20.305.290	3,91%	13.133.856	3,00%
Hospitality and catering services	12.181.267	2,34%	2.890.657	0,66%
Information and communications	148.159	0,03%	106.645	0,02%
Finance and insurance	743.778	0,14%	204.929	0,05%
Real estates trading	122.977.520	23,66%	73.269.016	16,71%
Science and technology	3.177.614	0,61%	249.798	0,06%
Administrative activities and supporting service	12.774.434	2,46%	6.536.248	1,49%
Party, unions, state management, security and national defence, social guarantee	390.456	0,08%	206.654	0,05%
Education and training	145.440	0,03%	190.989	0,04%
Health care and social work	164.703	0,03%	60.083	0,01%
Art and recreation	484.660	0,09%	144.495	0,03%
Other service activities	48.987.797	9,42%	48.949.416	11,16%
Household production and business	9.685.216	1,86%	7.694.169	1,76%
Total outstanding loans	519.949.991	100,00%	438.464.147	100,00%

10.4 Analysis of loan portfolio by quality

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Standard loans	502.030.436	416.692.179
Special-mentioned loans	4.171.456	8.532.749
Sub-standard loans	1.730.328	761.107
Doubtful loans	2.206.693	2.493.596
Loss loans	9.811.078	9.984.516
	519.949.991	438.464.147

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

10.5 Analysis of loan portfolio by quality (as per Circular 31/2024/TT NHNN)

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Standard loans	629.453.781	492.259.480
Special-mentioned loans	5.290.247	8.532.749
Sub-standard loans	1.969.448	1.287.643
Doubtful loans	2.052.503	2.496.596
Loss loans	11.569.660	10.102.926
	650.335.639	514.679.394

11. PROVISIONS FOR CREDIT LOSSES ON LOANS TO CUSTOMERS

Movements in provisions for credit losses on loans to customers for the 12-month period ended 31 Dec 2024 are as follows:

	General provision	Specific provision	Total
	<i>VND million</i>	<i>VND million</i>	<i>VND million</i>
Opening balance	3.211.595	5.889.823	9.101.418
Provision made for the period	603.017	5.821.228	6.424.245
Provision used to write off bad debts for the period	-	(6.574.492)	(6.574.492)
Closing balance	3.814.612	5.136.559	8.951.171

Movements in provisions for credit losses on loans to customers for the 12-month period ended 31 Dec 2023 are as follows:

	General provision	Specific provision	Total
	<i>VND million</i>	<i>VND million</i>	<i>VND million</i>
Opening balance	2.843.216	4.214.556	7.057.772
Provision made for the period	409.411	6.632.383	7.041.794
Provision used to write off bad debts for the period	0	(4.432.650)	(4.432.650)
Effect of divestment of SHB FC	(43.797)	(533.615)	(577.412)
Other adjustments	2.765	9.149	11.914
Closing balance	3.211.595	5.889.823	9.101.418

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

12. INVESTMENT SECURITIES

12.1 Available-for-sale investment securities

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Debt securities	14.928.258	14.344.306
Government bonds	5.461.583	5.465.909
Debt securities issued by other domestic credit institutions	905.159	-
Debt securities issued by local business entities	8.561.516	8.878.397
Equity securities	28.657	29.453
Equity securities issued by other local credit institutions	-	796
Equity securities issued by local business entities	28.657	28.657
Provisions of available-for-sale investment securities	(64.394)	(66.071)
Provisions for impairment	(384)	(297)
General provision	(64.010)	(65.774)
	14.892.521	14.307.688

12.2 Held-to-maturity investment securities

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Debt securities	17.812.962	17.833.636
Government bonds	16.430.881	16.807.100
Debt securities issued by other domestic credit institutions	855.545	500.000
Debt securities issued by domestic economic entities	526.536	526.536
Provisions of held-to-maturity investment securities	(368.575)	(77.664)
Provisions for impairment	-	-
General provision	-	(3.949)
Specific provision	(368.575)	(73.715)
	17.444.387	17.755.972

13. CAPITAL CONTRIBUTION, LONG-TERM INVESTMENTS

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Investments in associates	363.920	343.172
Other long-term investments	158.272	158.272
Provisions for impairment of long-term investments	(83.995)	(86.996)
	438.197	414.448

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

14. FIXED ASSETS

14.1 Tangible fixed assets

Unit: VND million

Items	Building, structures	Machinery, equipment	Motor vehicles	Office equipments	Others	Total
Cost						
Opening balance	667.181	240.766	203.722	414.738	2.096	1.528.503
Increase in the period	43.809	37.763	31.321	63.214	169	176.276
- Foreign exchange difference	1.273	181	42	273	(6)	1.763
- Acquisitions during the year	41.922	37.166	30.445	62.941	175	172.649
- Other increases	614	416	834	-	-	1.864
Decreases in the period	(4.377)	(64.376)	(19.980)	(33.527)	(1.550)	(123.810)
- Disposals	(4.377)	(64.376)	(19.980)	(33.150)	-	(121.883)
- Other decreases	-	-	-	(377)	(1.550)	(1.927)
Closing balance	706.613	214.153	215.063	444.425	715	1.580.969
Accumulated depreciation						
Opening balance	207.917	208.214	141.041	235.777	576	793.525
Increase in the period	23.049	4.666	13.215	40.684	42	81.656
- Foreign exchange difference	1.095	163	22	251	(6)	1.525
- Depreciation charged for the year	21.768	4.475	12.960	40.433	48	79.684
- Other increases	186	28	233	-	-	447
Decreases in the period	(3.963)	(64.329)	(19.612)	(33.013)	(177)	(121.094)
- Disposals	(3.963)	(64.329)	(19.612)	(32.930)	-	(120.834)
- Other decreases	-	-	-	(83)	(177)	(260)
Closing balance	227.003	148.551	134.644	243.448	441	754.087
Net book value						
Opening balance	459.264	32.552	62.681	178.961	1.520	734.978
Closing balance	479.610	65.602	80.419	200.977	274	826.882

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

14.2 Intangible fixed assets

Unit: VND million

Items	Land use rights	Computer software	Other	Total
Cost				
Opening balance	4.360.370	442.555	23.004	4.825.929
Increase in the period	-	38.049	(42)	38.007
- Foreign exchange difference	-	(34)	(42)	(76)
- Acquisitions during the year	-	38.083	-	38.083
Decreases in the period	-	-	(45)	(45)
- Other decreases	-	-	(45)	(45)
Closing balance	4.360.370	480.604	22.917	4.863.891
Accumulated amortisation				
Opening balance	6.754	305.734	19.003	331.491
Increase in the period	158	30.184	960	31.302
- Foreign exchange difference	-	(34)	(42)	(76)
- Amortisation charged for the year	158	30.218	1.002	31.378
Decreases in the period	-	-	(45)	(45)
- Other decreases	-	-	(45)	(45)
Closing balance	6.912	335.918	19.918	362.748
Net book value				
Opening balance	4.353.616	136.821	4.001	4.494.438
Closing balance	4.353.458	144.686	2.999	4.501.143

15. OTHER ASSETS

	31/12/2024	31/12/2023
	VND million	VND million
Foreclosed assets awaiting resolution	702.291	1.052.516
Awaiting-allocation expenses	579.177	748.270
Other assets	104.428	1.430.039
	1.385.896	3.230.825

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

16. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

Deposits from other credit institutions

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Demand deposits	25.515.183	12.261.777
- In VND	25.513.178	12.260.916
- In gold & foreign currencies	2.005	861
Term deposits	98.210.386	53.024.313
- In VND	86.946.505	41.375.198
- In gold & foreign currencies	11.263.881	11.649.115
Total	123.725.569	65.286.090

Borrowings from other credit institutions

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
- In VND	1.237.744	852.369
- In gold & foreign currencies	9.127.175	4.627.835
Total	10.364.919	5.480.204

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

17. DEPOSITS FROM CUSTOMERS

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Demand deposits	37.159.231	43.074.214
- Demand deposits in VND	34.671.788	40.876.084
- Demand deposits in foreign currencies	2.487.443	2.198.130
Term deposits	460.850.837	402.524.549
- Term deposits in VND	451.873.649	394.742.416
- Term deposits in foreign currencies	8.977.188	7.782.133
Deposits for specific purpose	1.311	1.672
- Deposits for specific purpose in VND	1.004	1.398
- Deposits for specific purpose in foreign currencies	307	274
Margin deposits	1.886.068	1.902.991
- Margin deposits in VND	1.857.785	1.861.696
- Margin deposits in foreign currencies	28.283	41.295
	499.897.447	447.503.426

18. GRANTS, ENTRUSTED FUND AND BORROWINGS WHERE THE BANK BEARS RISKS

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Funds received from other organisations and individuals in VND	613.746	705.880
Funds received from other organisations and individuals in foreign currencies	815.904	905.355
	1.429.650	1.611.235

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

19. OTHER PAYABLES AND LIABILITIES

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Interest and fee payables	10.602.204	14.025.631
Deferred corporate tax liabilities	-	36.030
Internal payables	267.115	106.511
External payables	2.358.393	1.956.066
Bonus and welfare funds	196.045	144.675
	13.423.757	16.268.913

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

20. CAPITAL AND RESERVES

Unit: VND million

	Charter capital	Share premium	Foreign exchange reserves	Treasury shares	Investment and development fund	Financial reserve fund	Capital supplementary reserve	Other funds	Retained earnings	Total
Opening balance	36.193.981	1.449.603	(689.038)	(5.260)	48.172	3.384.369	1.704.535	1.022	8.010.896	50.098.280
Increase in the period	435.104	-	-	-	-	-	-	219.602	7.057.868	7.712.574
Increase in the period	435.104	-	-	-	-	-	-	219.602	7.057.868	7.712.574
Decreases in the period	-	-	158.098	-	3.939	(125)	(1.887)	-	(121.359)	38.665
Decreases in the period	-	-	158.098	-	3.939	(125)	(1.887)	-	(121.359)	38.665
Closing balance	36.629.085	1.449.603	(530.940)	(5.260)	52.111	3.384.244	1.702.648	220.624	14.947.405	57.849.520

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

21. INTEREST AND SIMILAR INCOME

	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
	<i>VND million</i>	<i>VND million</i>
Interest from deposits	2.067.987	1.445.481
Interest from loans to customers	45.519.663	52.238.878
Interest from trading, investment in debt securities	2.604.723	3.600.744
Other income from credit activities	107.104	112.306
Income from guarantee services	201.527	191.982
	50.501.004	57.589.391

22. INTEREST AND SIMILAR EXPENSES

	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
	<i>VND million</i>	<i>VND million</i>
Interest expense on deposits	(26.009.684)	(33.550.170)
Interest expense on borrowings	(906.750)	(1.119.236)
Interest expense on valuable papers issued	(2.421.893)	(3.137.595)
Expenses on other credit activities	(34.948)	(497.037)
	(29.373.275)	(38.304.038)

23. NET GAIN/(LOSS) FROM SERVICES

	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
	<i>VND million</i>	<i>VND million</i>
Income from services	1.557.675	912.654
- Income from remittance services	1.142.935	349.677
- Income from trust and agency services	90.099	127.073
- Income from property preservation, cabinet rental services	166.852	273.375
- Others	157.789	162.529
Expense for services	(286.112)	(367.727)
- Expense for remittance services	(77.980)	(129.062)
- Post and telecommunications	(68.888)	(75.948)
- Expense for treasury services	(56.358)	(45.464)
- Others	(82.886)	(117.253)
Net gain from services	1.271.563	544.927

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

24. OPERATING EXPENSES

	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
	<i>VND million</i>	<i>VND million</i>
Tax, duties and fees	(88.997)	(67.742)
Staff cost	(3.177.593)	(2.945.499)
Expenses on fixed assets	(623.876)	(579.886)
In which:		
- Depreciation and amortisation expenses	(111.262)	(105.365)
Expenses for operating management	(1.356.413)	(1.035.554)
Insurance premium for customers' deposits	(499.429)	(428.201)
Reversed/(Expenses) provision expenses (excluding on and off-balance sheet credit risk provision expenses; securities provision expenses)	(3.003)	5.343
	(5.749.311)	(5.051.539)

25. CASH AND CASH EQUIVALENTS

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Cash and cash equivalent	1.563.509	1.370.849
Balances with the State Bank of Vietnam	27.440.936	54.763.646
Current deposits at other credit institutions	12.693.973	11.894.463
Deposits at other credit institutions with terms not exceeding 3 months	79.635.830	42.830.828
	121.334.248	110.859.786

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

26. CONTINGENT LIABILITIES AND COMMITMENTS

	31/12/2024	31/12/2023
	<i>VND million</i>	<i>VND million</i>
Credit guarantees	30.089	55.050
Commitments	32.252.095	20.539.847
Foreign exchange transactions commitments	5.978.317	15.454.640
<i>Buying foreign currency commitments</i>	257.179	805.070
<i>Selling foreign currency commitments</i>	746	814.380
<i>Cross currency swap contracts</i>	5.720.392	13.835.190
Letters of credit (L/C) commitments	26.273.778	5.085.207
Other guarantees	17.927.463	18.477.630

27. RELATED PARTY TRANSACTIONS AND BALANCES

Related party transactions are transactions undertaken with other entities to which the Bank is related. A party is considered to be related to the Bank if:

(a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Bank (including holding companies, subsidiaries and fellow subsidiaries);

(b) Associates (see Vietnamese Accounting Standards No. 07 "Accounting for Investments in Associates");

(c) Individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the Bank, and close members of the family of any such individual. Close members of the family of an individual are those that may be expected to influence, or be influenced by, that person in their dealings with the Bank, for examples: parent, spouse, progeny, siblings;

(d) Key management personnel having authority and responsibility for planning, directing and controlling the activities of the Bank, including directors and officers of the Bank and close members of the families of such individuals;

(e) Enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the Bank and enterprises that have a member of key management in common with the Bank.

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

28. SEGMENT REPORT

28.1 Business segment report

	1. Credit	2. Investment	3. Service	4. Capital source	Total
Assets	571.817.780	38.554.036	14.997.547	121.874.485	747.243.848
1. Segment assets	547.696.245	38.426.890	184.965	121.620.192	707.928.292
2. Allocated assets	24.121.535	127.146	14.812.582	254.293	39.315.556
Liabilities	(2.933.975)	(8.934)	(1.091.716)	(685.359.703)	(689.394.328)
1. Segment liabilities	(1.239.017)	-	(50.877)	(685.341.835)	(686.631.729)
2. Allocated liabilities	(1.694.958)	(8.934)	(1.040.839)	(17.868)	(2.762.599)

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

28.2 Geographical segment report

	Northern VND Million	Southern VND Million	Central VND Million	Overseas VND Million	Total VND Million
<i>From 01/01/2024 to 31/12/2024</i>					
Business segment income					
Interest and similar income	16.620.992	2.649.969	1.135.599	721.169	21.127.729
Income from services	879.891	368.970	22.413	289	1.271.563
Income from trading foreign currencies	46.511	32.419	6.913	439	86.282
Net gain from trading securities	(137.063)	3.472	9	-	(133.582)
Net profit from other activities	835.552	76.695	189.119	860	1.102.226
Income from capital contribution, equity investments	20.908	-	-	-	20.908
Operating expenses	(4.365.122)	(821.443)	(397.603)	(165.143)	(5.749.311)
Net profit from operating activities before credit provision expenses	13.904.998	2.310.082	956.450	557.614	17.729.144
Provision expenses before credit losses	(4.634.019)	(864.207)	(390.201)	(297.710)	(6.186.137)
Profit before tax	9.270.979	1.445.875	566.249	259.904	11.543.007

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

<i>At 31/12/2024</i>	Northern VND Million	Southern VND Million	Central VND Million	Overseas VND Million	Total VND Million
Assets					
Cash	979.779	376.774	149.400	57.556	1.563.509
Balances with the State Bank of Vietnam ("SBV")	26.270.437	18.007	4.463	1.148.029	27.440.936
Placements with and loans to other credit institutions	115.955.312	2.398	1.514	1.389.599	117.348.823
Loans to customers	394.359.879	84.590.912	19.069.546	12.978.483	510.998.820
Financial investment	37.685.561	-	-	-	37.685.561
Fixed assets	5.210.816	78.443	34.141	4.625	5.328.025
Other assets	9.923.111	18.556.610	17.014.940	1.383.513	46.878.174
TOTAL ASSETS	590.384.895	103.623.144	36.274.004	16.961.805	747.243.848
Liabilities					
Deposits and borrowings from the Government, the State Bank of Vietnam and other credit institutions	125.955.837	422	91	9.377.002	135.333.352
Deposits from customers	356.716.305	101.101.798	38.241.120	3.838.224	499.897.447
Other mobilization	32.880.518	4.165.540	3.693.714	-	40.739.772
Other liabilities	8.751.555	1.909.508	772.829	1.989.865	13.423.757
TOTAL LIABILITIES	524.304.215	107.177.268	42.707.754	15.205.091	689.394.328

SAIGON – HANOI COMMERCIAL JOINT STOCK BANK
 NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS (Continued)

29. EXCHANGE RATES OF SOME FOREIGN CURRENCIES AT THE REPORT DATE

	31 December 2024	31 December 2023
	VND	VND
USD	25.480	24.338
EUR	26.530	26.848
GBP	32.013	30.974
CHF	28.219	28.792
JPY	163	172
SGD	18.759	18.412
AUD	15.862	16.597
HKD	3.283	3.105
CAD	17.737	18.331
CNY	3.492	3.421
LAK	1,1640	1,1809
XAU	8.350.000	7.451.000

Prepared by



Tran Thanh Thuy

Chief Accountant



Ngo Thi Van

General Director



Ngo Thu Ha

20 Jan 2025
