

Sacombank

Separate financial statements

Quarter IV/2024

SEPARATE BALANCE SHEET

As at 31 Dec 2024

Unit: VND million

No	Items	Notes	At 31/12/2024	At 31/12/2023
	(1)	(2)	(3)	(4)
A	ASSETS			
I	Cash on hand, gold, gemstones		7,948,136	7,256,184
II	Balances with the State Bank of Vietnam		15,773,101	11,411,883
III	Due from and loans to other credit institutions		92,252,625	53,778,903
1	Due from other credit institutions		80,560,581	49,908,903
2	Loans to other credit institutions		11,692,044	3,870,000
3	Provision for due from and loans to other credit institutions		-	-
IV	Trading securities	IV.01	-	-
1	Trading securities		-	-
2	Provision for trading securities		-	-
V	Derivatives and other financial assets	IV.02	-	-
VI	Loans to customers	IV.03	518,699,691	465,251,667
1	Loans to customers		526,765,206	471,855,680
2	Provision for credit losses on loans to customers	IV.04	(8,065,515)	(6,604,013)
VII	Purchased debts		-	-
1	Purchased debts		-	-
2	Provision for credit losses on purchased debts		-	-
VIII	Investment securities	IV.05	85,638,228	74,624,402
1	Available-for-sale securities		23,545,019	22,551,092
2	Held-to-maturity securities		75,363,197	66,688,978
3	Provision for investment securities		(13,269,988)	(14,615,668)
IX	Long-term investments	IV.06	3,614,879	3,276,379
1	Investments in subsidiaries		4,093,172	3,793,172
2	Investment in joint - ventures		-	-
3	Investment in associate companies		-	-
4	Other long-term investments		96,642	97,014
5	Provision for long-term investments		(574,935)	(613,807)
X	Fixed assets		7,133,243	7,091,558
1	<i>Tangible fixed assets</i>		4,194,528	4,152,009
a	Cost		8,374,796	7,913,764
b	Accumulated depreciation		(4,180,268)	(3,761,755)
2	<i>Leasing assets</i>		-	-
a	Cost		-	-
b	Accumulated depreciation		-	-
3	<i>Intangible fixed assets</i>		2,938,715	2,939,549
a	Cost		4,894,890	4,656,127
b	Accumulated amortisation		(1,956,175)	(1,716,578)
XI	Investment in Real Estates		-	-
a	Cost		-	-
b	Accumulated depreciation		-	-
XI	Other assets		9,983,218	46,238,686
1	Receivables		6,342,011	41,796,708
2	Accrued interest and fees receivables		5,200,168	5,667,006
3	Deferred tax assets		615,134	446,415
4	Other assets		1,334,781	1,206,846
5	Provision for other assets		(3,508,876)	(2,878,289)
	TOTAL ASSETS		741,043,121	668,929,662

No	Items	Notes	At 31/12/2024	At 31/12/2023
	(1)	(2)	(3)	(4)
B	LIABILITIES AND OWNERS' EQUITY			
I	Borrowings from the State Bank of Viet Nam	IV.07	54,255	19,328
	Due to and borrowings from the State Bank of Viet Nam		54,255	19,328
II	Due to and borrowings from other credit institutions	IV.08	71,580,613	38,926,188
1	Due to other credit institutions		62,476,969	35,490,238
2	Borrowings from other credit institutions		9,103,644	3,435,950
III	Due to customers	IV.09	561,741,401	506,435,603
IV	Derivatives and other financial liabilities		54,007	91,459
V	Grants and entrusted funds and loans exposed to risks		-	-
VI	Valuable papers issued	IV.10	36,753,523	28,992,491
VII	Other liabilities	IV.11	16,768,792	49,507,611
1	Accrued interest and fees payables		8,364,228	11,532,282
2	Deferred tax liabilities		-	-
3	Other liabilities		8,404,564	37,975,329
4	Provision for other liabilities		-	-
	TOTAL LIABILITIES		686,952,591	623,972,680
VIII	OWNERS' EQUITY	IV.13	54,090,530	44,956,982
1	Capital		20,601,582	20,601,582
a	Charter capital		18,852,157	18,852,157
b	Capital for construction, purchases of fixed assets		1,121	1,121
c	Share premium		1,747,651	1,747,651
g	Other capital		653	653
2	Reserves		5,658,573	4,575,516
3	Foreign exchange differences		118,046	118,046
4	Differences from assets revaluation		-	-
5	Retained profits		27,712,329	19,661,838
a	Current year Profit/Loss		10,016,099	7,469,356
b	Accumulated Profit/Loss from previous years		17,696,230	12,192,482
6	Non-controlling Interest		-	-
	TOTAL LIABILITIES AND OWNERS' EQUITY		741,043,121	668,929,662
STT	Items	Notes	At 31/12/2024	At 31/12/2023
	(1)	(2)	(3)	(4)
1	Guarantees for borrowings		136,601	31,120
2	Commitments on foreign exchange transactions		96,982,516	122,663,800
	- Commitments on buying foreign currencies		2,872,223	449,709
	- Commitments on selling foreign currencies		1,060,117	1,103,464
	- Commitments on swap transactions		93,050,176	121,110,627
3	Uncancellable Lending commitment		-	-
4	Letters of credit		7,781,071	7,075,433
5	Other guarantees		12,004,614	11,272,335
6	Other commitments		-	-
7	Interest and receivable fees not collected yet		31,648,837	30,316,980
8	Written-off debts		8,851,468	6,491,921
9	Assets and other documents		78,459,452	83,996,550

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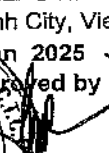


Le Thi Huyen
Accountant

Reviewed by



Huynh Thanh Giang
Chief Accountant

Hà Chí Minh City, Vietnam
Jan 2025
Approved by 
NGÂN HÀNG
THƯƠNG MẠI CỔ PHẦN
SÀI GÒN
THƯỜNG TÍN
NGUYỄN DỤC THẠCH DIỆM
General Director

SEPARATE STATEMENT OF INCOME

Quarter IV/2024

Unit: VND million

No.	Items	Notes	Quarter IV		Cumulative year-to-date	
			Current year	Previous year	Current year	Previous year
	(1)	(2)	(3)	(4)	(5)	(6)
1	Interest and similar income	V.14	12,371,822	13,426,622	49,118,117	55,072,919
2	Interest and similar expenses	V.15	6,413,366	7,996,725	25,143,070	33,635,452
I	Net interest income		5,958,456	5,429,897	23,975,047	21,437,467
3	Fees and commission income		1,661,205	1,364,819	5,817,693	5,882,677
4	Fees and commission expenses		765,094	843,937	3,136,532	3,498,817
II	Net fees and commission income		896,111	520,882	2,681,161	2,383,860
III	Net gain from trading of foreign currencies		270,557	286,282	1,064,319	1,052,422
IV	Net gain from sales of trading securities	V.16	-	-	-	-
V	Net gain from sales of investment securities	V.17	10,135	(9,579)	55,547	33,817
5	Other income		169,361	256,722	364,199	433,577
6	Other expenses		108,597	64,142	360,265	115,248
VI	Net other income		60,764	192,580	3,934	318,329
VII	Income from investments in other entities	V.18	300,890	-	303,435	297,848
VIII	Operating expenses	V.19	2,908,225	3,228,279	13,364,897	12,454,984
IX	Operating profit before provision expenses for credit losses		4,588,688	3,191,783	14,718,546	13,068,759
X	Provision expenses for credit losses		(288,373)	840,482	2,159,878	3,785,444
XI	Profit before tax		4,877,061	2,351,301	12,558,668	9,283,315
7	Corporate income tax expense – current		1,172,916	627,194	2,711,288	1,955,417
8	Corporate income tax expense – deferred		(168,719)	(141,458)	(168,719)	(141,458)
XII	Corporate income tax expense		1,004,197	485,736	2,542,569	1,813,959
XIII	Profit after tax		3,872,864	1,865,565	10,016,099	7,469,356

Prepared by



Le Thi Huyen
Accountant

Reviewed by



Huynh Thanh Giang
Chief Accountant

Ho Chi Minh City, Vietnam

14 Jan 2025
Approved by



Nguyen Duc Thach Diem
General Director

SEPARATE STATEMENT OF CASH FLOWS

(Direct method)

Quarter IV/2024

Unit: VND million

No.	Items	Cumulative year-to-date	
		Current year (*)	Previous year (**)
	CASH FLOWS FROM OPERATING ACTIVITIES		
01	Interest and similar income received	50,106,049	55,117,286
02	Interest and similar expenses paid	(28,025,544)	(29,425,668)
03	Net fees and commission income received	2,681,161	2,533,860
04	Net receipts from trading foreign currencies, gold and securities	1,267,733	982,327
05	Other income received	(209,429)	235,683
06	Recoveries from bad debts previously written-off	111,597	79,680
07	Salaries and operating expenses paid	(11,652,571)	(11,064,442)
08	Corporate income tax paid	(2,466,408)	(784,771)
	Net cash flows from operating activities before changes in operating assets and liabilities	11,812,588	17,673,955
	Changes in operating assets	(72,247,827)	(62,626,702)
09	Decrease/(increase) in due from and loans to other credit institutions	(7,822,044)	(295,000)
10	Decrease/(increase) in trading securities	(10,358,358)	(6,553,118)
11	Decrease/(increase) in derivatives and other financial assets	(37,453)	-
12	Decrease/(increase) in loans to customers	(54,909,526)	(43,222,710)
13	Utilisation of provision to write off loan, investment and other assets	(2,061,284)	(1,831,899)
14	Decrease/(increase) in other operating assets	2,940,838	(10,723,975)
	Changes in operating liabilities	98,519,746	71,042,252
15	Increase/(decrease) in debts owed to the Government and the State Bank of Vietnam	34,927	(9,881,881)
16	(Decrease)/increase in due to and borrowings from other credit institutions	34,285,140	10,235,244
17	Decrease/(increase) in due to customers	55,305,798	56,378,242
18	Increase in valuable papers issued	9,220,305	3,209,262
19	Decrease/(increase) in grants and entrusted funds received	-	-
20	Decrease/(increase) in derivatives and other financial liabilities	-	201,317
21	Decrease/(increase) in other operating liabilities	524,409	10,907,369
22	Utilisations of reserves	(850,833)	(7,301)
I	NET CASH FLOWS FROM OPERATING ACTIVITIES	38,084,507	26,089,505
	CASH FLOWS FROM INVESTING ACTIVITIES		
01	Payments for purchases of fixed assets	(926,941)	(1,253,642)
02	Proceeds from disposals of fixed assets	2,748	9,921
03	Payments for disposals of fixed assets	-	-
04	Purchasing of investments in real estates	-	-
05	Proceeds from disposals of investment in real estates	-	-
06	Payments from disposals of investment in real estates	-	-
07	Payments for investing in other entities	(300,000)	(46,360)

No.	Items	Cumulative year-to-date	
		Current year (*)	Previous year (**)
08	Proceeds from disposals of other long-term investments	372	-
09	Receipts of dividends and profit distributions from capital contribution, share purchase	303,435	297,848
II	NET CASH FLOWS FROM INVESTING ACTIVITIES	(920,386)	(992,233)
CASH FLOWS FROM FINANCING ACTIVITIES			
01	Increase of share capital from share	-	-
02	Proceeds from issuance of valuable papers qualifying as tier 2 capital; and other long term loans	1,809,625	-
03	Payment for long-term valuable papers eligible to be included in equity and other long term loans	(3,268,898)	(37,078)
04	Dividends distributed to shareholders	(1)	(25)
05	Payment of purchasing treasury shares	-	-
06	Proceeds from selling of treasury shares	-	-
III	NET CASH FLOWS FROM FINANCING ACTIVITIES	(1,459,274)	(37,103)
IV	NET CASH FLOWS DURING THE YEAR	35,704,847	25,060,169
V	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	68,576,970	43,516,801
VI	EFFECT OF EXCHANGE RATE FLUCTUATIONS	-	-
VII	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	104,281,817	68,576,970

(*) Current year column indicates the movements of cash flow from 01/01/2024 to 31/12/2024

(**) Previous year column indicates the movements of cash flow from 01/01/2023 to 31/12/2023.

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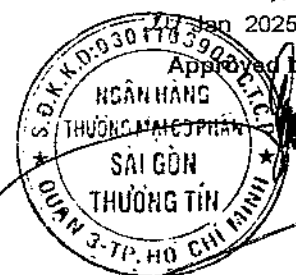


Le Thi Huyen
Accountant



Huynh Thanh Giang
Chief Accountant

Ho Chi Minh City, Vietnam



Nguyen Duc Thach Diem
General Director

I. THE BANK

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

1. Establishment and activities

The Bank was established under the Establishment and Operation Banking License No. 0006/NH-GP ("the License No. 0006/NH-GP") issued by the State Bank of Vietnam ("the SBV") on 15 December 1991 and Business Registration Certificate No. 0301103908 issued by the Department of Planning and Investment of Ho Chi Minh City on 13 January 1992. The License No. 0006/NH-GP was replaced by the Establishment and Operating Banking License No 111/NH-GP which was issued by the SBV dated 9 November 2018 and is valid for 99 years from 5 December 1991.

On 1 October 2015, Southern Commercial Joint Stock Bank was officially merged into Saigon Thuong Tin Commercial Joint Stock Bank according to Decision No. 1844/QĐ-NHNN dated 14 September 2015 issued by the State Bank of Vietnam. Accordingly, Saigon Thuong Tin Commercial Joint Stock Bank has received and inherited all assets and obligations of Southern Commercial Joint Stock Bank since the date of merger.

The Bank's principal activities include mobilising and receiving short, medium and long-term deposits from organisations and individuals; providing short, medium and long-term loans to organisations and individuals based on the Bank's nature and capacity of the capital resources; foreign exchange trading; international trade financing services; discounting commercial papers, bonds and other valuable papers; providing settlement services; operating in monetary market; banking and financial consultancy; trading government and corporate bonds; gold trading; cash management services, asset preservation, cabin and safe renting; entrusting services; insurance agency; brokerage and other banking services as allowed by the State Bank of Vietnam.

2. Board of Directors

Name	Position	Date of Appointment/Resignation
Mr Duong Cong Minh	Chairman	Re-Appointed on April 22 nd 2022
Ms Nguyen Duc Thach Diem	Standing Vice Chairman	Appointed on April 22 nd 2022
Mr Pham Van Phong	Vice Chairman	Appointed on April 22 nd 2022
Mr Nguyen Xuan Vu	Member	Re-Appointed on April 22 nd 2022
Mr Phan Dinh Tue	Member	Appointed on April 22 nd 2022
Mr Vuong Cong Duc	Independent Member	Appointed on April 22 nd 2022
Ms Pham Thi Thu Hang	Independent Member	Appointed on April 22 nd 2022

3. Board of Supervisors

Name	Position	Date of Appointment/Resignation
Mr Tran Minh Triet	Chief Supervisor	Re-Appointed on April 22 nd 2022
Mr Nguyen Van Thanh	Member	Appointed on April 22 nd 2022
Mr Lam Van Kiet	Member	Appointed on April 22 nd 2022
Ms Ha Quynh Anh	Member	Appointed on April 22 nd 2022

4. Board of Management and Chief Accountant

Name	Position	Date of Appointment/Resignation
Ms. Nguyen Duc Thach Diem	General Director	Appointed on July 25 th 2017
Mr. Nguyen Minh Tam	Deputy General Director	Appointed on May 21 st 2007
Mr. Dao Nguyen Vu	Deputy General Director	Appointed on June 27 th 2007
Ms. Quach Thanh Ngoc Thuy	Deputy General Director	Appointed on February 5 th 2010
Mr. Nguyen Ba Tri	Deputy General Director	Appointed on July 26 th 2012
Mr. Ho Doan Cuong	Deputy General Director	Appointed on October 1 st 2012
Mr. Ha Van Trung	Deputy General Director	Appointed on October 10 th 2012
Mr. Hoang Thanh Hai	Deputy General Director	Appointed on April 7 th 2014
Mr. Le Duc Thinh	Deputy General Director	Appointed on September 15 th 2017
Ms Nguyen Thi Kim Oanh	Deputy General Director	Appointed on May 04 th 2022
Mr. Huynh Thanh Giang	Chief Accountant	Appointed on June 1 st 2012
Mr. Bui Van Dung	Deputy General Director	Resigned on April 1 st 2024
Legal Representative	Ms. Nguyen Duc Thach Diem	General Director

5. Charter capital

As at 31 Dec 2024 and 31 Dec 2023, the Bank's charter capital is VND18,852,157 million. The Bank has issued 1,885,215,716 ordinary shares with a par value of VND10,000 per share. The Bank's shares have been listed on the Ho Chi Minh City Stock Exchange.

6. Location and operation network

The Bank's Head Office is located at 266 - 268 Nam Ky Khoi Nghia Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam. As at 31 Dec 2024, the Bank had one (1) Head Office, one hundred and nine (109) branches, four hundred thirty-seven (437) transaction offices located in cities and provinces in Vietnam.

7. Group structure

As at 31 Dec 2024, the Bank had six (6) subsidiaries directly owned as follows:

Entity name	Operation/ Business License No.	Business activities	Percentage of equity owned and voting rights
Sacombank Asset Management Co., Ltd.	4104000053	Asset management	100%
Sacombank Leasing Company Limited	65a/GP-NHNN	Mobilising capital and leasing activities	100%
Sacombank Remittance Express Co., Ltd.	0304242674	Foreign currency remittance service and foreign exchange agent	100%
Sacombank Jewelry Company Limited	0305584790	Retailing gold, silver and precious stones, jewelry; commercial inspection; gold trading, manufacturing gold and jewelry	100%
Sacombank (Cambodia) Plc. ("Sacombank Cambodia")	N.27	Banking business	100%
Sacombank (Lao) Sole Co., Plc. ("Sacombank Lao")	07/NHNN-Lao	Banking business	100%

8. Number of employees

As at 31 Dec 2024, the Bank had 17.058 employees (31/12/2023: 17.412 employees).

9. Auditor

The auditor of the Bank is KPMG Limited Vietnam

II. Basis of preparation

1. Statement of compliance

The interim separate financial statements are prepared 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 interim financial reporting.

These standards and relevant 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 interim 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 also prepares the interim 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 applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements on preparation and presentation of interim financial statements. These interim separate financial statements should be read in conjunction with the Group's interim consolidated financial statements for the period ended 30 June 2024 in order to obtain full information on the consolidated financial position, results of operations and cash flows of the Group as a whole.

2. Basis of measurement

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

3. Annual accounting period

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

The financial statements are prepared for the year period ended 31 December 2024.

4. Accounting and presentation currency

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

5. Form of accounting records applied

The Bank uses accounting software to record its transactions.

III. Summary of significant accounting policies

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

1. The accounting policies that have been adopted by the Bank in the preparation of these interim separate financial statements are consistent with those adopted in the preparation of the most recent **Changes in accounting policies due to changes in relevant regulations**

1.1 Application of Decree No.86/2024/ND-CP dated July 7th 2024.

On July 7th 2024, The Government has issued Decree No.86/2024/ND-CP on providing for amounts and methods of establishing risk provisions and use of provisions for management of risks arising from operations of credit institutions and foreign bank branches and cases in which credit institutions allocate forgivable interest. Decree 86 is effective from July 11th 2024

The bank has retrospectively applied related requirements of Decree 86 from July 7th 2024. Changes in the bank's accounting policies due to above retrospective application of Decree 86 and corresponding effect on the Bank's Financial Statements, if any, are disclosed at Note III.9 (ii) and Note 25.

- **Application of Circular 31/2024/TT-NHNN dated June 30th 2024**

On June 30th 2024, State Bank of Vietnam has issued Circular 31/2024/TT-NHNN on classification of assets in operation of commercial banks, non-bank credit institutions and foreign bank branches. Circular 31 is effective from July 1st 2024

Circular 31 also replaces Circular 11/2021/TT-NHNN dated July 30th 2021 issued by SBV on Providing the classification of assets, risk provisioning levels and methods and use of provisions for handling risks in operations of credit institutions and foreign bank branches

The bank has retrospectively applied requirements of Circular 31 from the debt classification of July 2024. Changes in the Bank's accounting policies due to above retrospective application of Circular 31 and corresponding effect on the Bank's Financial Statements, if any, are disclosed at Note III.9 (ii)

2. Accounting policies applicable to the main items in accordance with the documents of the State Bank of Vietnam approving the Post-merger Restructuring Plan according to Decision No. 34/QĐ-NHNN.Tym, Official Letter No. 426/NHNN-TTGSNH.Tym and Official Letter No. 1010/NHNN-TTGSNH (hereinafter referred to as "Restructuring Plan")

On 22 May 2017, the Post-merger Restructuring Plan of Saigon Thuong Tin Commercial Joint Stock Bank with the implementation period until the end of 2025 and the Bank's proposals for the financial regimes and resolutions in relation to accrued interest receivables, VAMC's special bonds, bad debts, doubtful assets and investments during the restructuring period was approved by the State Bank of Vietnam according to Decision No. 34/QĐ-NHNN.Tym and Official Letter No. 426/NHNN-TTGSNH.Tym. During the implementation of the Restructuring Plan, the Bank periodically submits the progress reports, escalates difficulties (if any), and proposes the solution to the State Bank of Vietnam. On 18 December 2020, the State Bank of Vietnam issued Official letter No. 1010/NHNN-TTGSNH to provide guidance on the Bank's additional proposal as specified in the report of implementing results of the Post-merger Restructuring Plan.

The contents of the Post-merger Restructuring Plan, the Bank's proposals and SBV's official approvals, implementation guidances (Decision No. 34/QĐ-NHNN.Tym, Official Letter No. 426/NHNN-TTGSNH.Tym and Official Letter No. 1010/NHNN-TTGSNH) (hereinafter referred to as "Restructuring Plan") form the basis for recognition, measurement and presentation of relevant items in the interim separate financial statements. The basis is summarised as follows:

- **Accrued interest receivables:** The Bank is permitted to block accrued interest receivables of certain bad debts and doubtful assets in its separate financial statements as at 31 December 2015 and amortise such accrued interest receivables to profit and loss based on its financial capability over a maximum period of 10 years in line with detailed proposals in the Restructuring Plan;
- **Provision for credit losses:** The Bank is permitted to make and allocate provision for credit losses based on its financial capacity in line with detailed proposals in the Restructuring Plan;
- **Special bonds issued by VAMC:** The Bank is permitted to make allowance for VAMC's special bonds based on its financial capacity during the term of the bonds (Note 10);
- **Doubtful assets, foreclosed assets:** The Bank is required to develop specific processes and plan to completely resolve the foreclosed assets to recover these bad assets. The Bank is permitted to sell its bad debts and doubtful assets to organisations and individuals at market prices and amortise losses arising from sales of these debts to profit and loss based on its financial capability over a maximum period of 5 years from the selling date (Note 14(a) and Note 14(d)). On 18 December 2020, the State Bank of Vietnam issued Official letter No. 1010/NHNN-TTGSNH to provide guidances on the Bank's additional proposals as specified in the report of implementing results of the Post-merger Restructuring Plan. Therefore, foreclosed assets in Inspection Conclusion No. 04/KLTT-TTGSNH.m would be addressed by SBV in a separate document response later. By the time of preparing these interim separate financial statements, the Bank has not received document response from SBV; and

- Investments in excess of 11% of the investee's charter capital and cross ownership: The Bank is approved to follow the proposed schedule for resolving these investments in the Restructuring Plan to comply with the prevailing regulations.

From the year ended 31 December 2023, the Bank has ceased to apply certain policies within the Restructure Plan as follows:

- Accrued interest: The Bank has collected and allocated all accrued interest and fees within the Plan up to 31 December 2022. From 1 January 2023, the Bank recognises accrued interest according to Note III.24. The change in accounting policy is because the Bank no longer has items that need to apply the policies within the Restructuring Plan for the current year, therefore the Bank does not make any retroactive adjustments with regards to this change.
- Allowances for losses on loans in the Restructuring Plan: by 31 December 2023, the Bank made full allowance for losses on loans in the Restructuring Plan (Note III.2);
- Allowance for special bonds issued by VAMC in the Restructuring Plan: by 31 December 2023, the Bank made full allowance for special bonds issued by VAMC in the Restructuring Plan;
- By 31 December 2023 and 31 Dec 2024, the Bank no longer holds investments in shares exceeding 11% of the Bank's charter capital.

3. Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, gold, balances with the State Bank of Vietnam ("SBV"), deposits with and loans to other credit institutions on demand or with original term to maturity of not more than three months from the transaction date which are readily convertible into certain amounts of cash and subject to insignificant risks of change in value at the reporting date and securities which have maturity dates within three months from the purchase dates.

4. Deposits with and loans to other credit institutions

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

The credit risk classification of deposits with and loans to other credit institutions and allowance for credit risks thereof are provided in accordance with **Circular 31 & Decree 86**.

Accordingly, the Bank makes a specific allowance for deposits (except for current accounts) and loans to other credit institutions according to the method as described in Note 3(g).

According to Circular 11, the Bank is not required to make a general allowance for deposits and loans to other credit institutions.

5. Derivative and other financial assets

(i) Currency forward contracts and currency swap contracts

The Bank involves in currency forward contracts and currency swap contracts to facilitate customers to transfer, modify or minimise foreign exchange risk or other market risks, and also for the trading purpose of the Bank.

Forward contracts are commitments to either purchase or sell a designated currency at a specific future date for a specific exchange rates and cash settlement. Forward contracts are recorded at nominal values at the transaction dates and are subsequently revalued at the end of the accounting period. The difference on the revaluation is recognised in the item "Foreign exchange differences" in "Owners' equity" and transferred to the separate statement of income at the end of the financial year. The premium or discount due to the difference between the spot exchange rate and the forward exchange rate at the effective date of the contract will be recognised immediately at the effective date of the contract as an asset if positive or a liability item if it is negative. The difference will be allocated to the interim separate statement of profit and loss over the term of the forward contract.

The swap contracts are commitments to settle in cash on a pre-determined future date based on the difference between pre-determined exchange rates, calculated on the notional principal amount. The amount of premium or discount due to the difference between spot rate and the forward rate at the

effective date of the contract will be recognised to the interim separate statement of financial position as an asset item if it is positive or a liabilities item if it is negative. The difference will be allocated to the interim separate income statement on a straight-line basis over the term of the swap contract.

(ii) Currency option contracts

Commitments in currency options are not recognised in the interim separate statement of financial position. Fees for options paid or received are recorded as receivables or payables and are amortised on a straight-line to income or expense during the period of the contract.

The contractual value of currency option contracts is revaluated monthly at the spot rate at month-end. Unrealized gains or losses at each month end are recorded in "Foreign exchange difference" in monthly separate statement of financial position and transferred to the separate income statement at the end of the financial year.

6. Purchased debts

Purchased debts are recognised at the amount which has been paid for debt purchase and classified into the group of which is not lower than the group of debts classified before purchase. Interest receipt including the interest incurred before the purchase is recognised using the following principles: (i) reduce the value of purchased debts by the interest amount before the purchase date; (ii) recognise the interest income in the period by the amount incurred after the purchase date.

The Bank classifies debts and makes allowance for purchased debt in accordance with the regulations on making and using allowance against credit risk as described in Note III.8.

7. Loans to customers

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

Short-term loans have maturity of less than one year from disbursement date. Medium-term loans have maturity of more than one to five years from disbursement date. Long-term loans have maturity of more than five years from disbursement date.

8. Loan classification and allowance for credit losses

(i) Loan classification

The classification of deposits and borrowings to other credit institutions, unlisted corporate bonds purchased and trusted for purchase by the Bank (including bonds issued by other credit institutions), loans to customers, entrusted for credit granting by the Bank, sales and purchases of debts, promissory notes and bills, certificates of deposit, bonds issued by other credit institutions and foreign bank branches, repo on government bonds (collectively called "debts"), purchase outright without recourse of LC documents not issued by the Bank itself is made in compliance with the quantitative method as prescribed in Article 10 of Circular 31. Accordingly, the Bank performs monthly debt classification based on the principal balance on the last day of the month.

The Bank classifies debt using the following quantitative method:

Group		Overdue status
1	Current debts	<p>(a) Debts are in due and assessed as fully and timely recoverable for both principals and interests; or</p> <p>(b) Debts are overdue for a period of less than 10 days and assessed as fully recoverable for both overdue principals and interests, and fully and timely recoverable for both remaining principals and interests.</p>
2	Special mentioned debts	<p>(a) Debts are overdue for a period of between 10 days and 90 days; or</p> <p>(b) Debts that repayment terms are restructured for the first time.</p>
3	Sub-standard debts	<p>(a) Debts overdue for a period between 91 days and 180 days; or</p> <p>(b) Debts that repayment terms are extended for the first time; or</p> <p>(c) Debts that interests are exempted or reduced because customers do not have sufficient capability to repay all interests under agreement; or</p> <p>(d) Debts under one of the following cases which have not been recovered in less than 30 days from the date of the recovery decision:</p> <ul style="list-style-type: none"> • Debts violating Clause 1, 3, 4, 5, 6 under Article 134 of Law on credit institutions; or • Debts violating Clause 1, 2, 3, 4 under Article 135 of Law on credit institutions; or • Debts violating Clause 1, 2, 5 under Article 136 of Law on credit institutions. <p>(e) Debts are required to be recovered according to regulatory inspection conclusions; or</p> <p>(f) Debts are required to be recovered according to decisions on early payment due to customers' breach of agreements but have not yet been recovered in 30 days from the issuance date of the decision.</p>
4	Doubtful debts	<p>(a) Debts are overdue for a period between 181 days and 360 days; or</p> <p>(b) Debts that repayment terms are restructured for the first time but still overdue for a period of 90 days under that restructured repayment term; or</p> <p>(c) Debts that repayment terms are restructured for the second time; or</p> <p>(d) Debts are specified in point (d) of Loan group 3 and overdue for a period between 30 days and 60 days after decisions of recovery have been issued; or</p> <p>(e) Debts are required to be recovered according to regulatory inspection conclusions but still overdue for a period up to 60 days since the recovery date as required by regulatory inspection conclusions; or</p> <p>(f) Debts are required to be recovered according to decisions on early payment due to customers' breach of agreements but have not yet been recovered for a period between 30 days to 60 days from the issuance date of the decision.</p>
5	Loss debts	<p>(a) Debts are overdue for a period of more than 360 days; or</p> <p>(b) Debts that repayment terms are restructured for the first time and overdue for a period of 91 days or more under the first restructured repayment term; or</p> <p>(c) Debts that repayment terms are restructured for the second time and overdue under that second restructured repayment term; or</p> <p>(d) Debts that repayment terms are restructured for the third time or more, regardless of being overdue or not; or</p> <p>(e) Debts are specified in point (d) of Loan group 3 and overdue for a period of more than 60 days after decisions on recovery have been issued; or</p> <p>(f) Debts required to be recovered according to regulatory inspection conclusions but still outstanding with an overdue period over 60 days since the recovery date as required by regulatory inspection conclusions; or</p> <p>(g) Debts are required to be recovered according to decisions on early payment due to customers' breach of agreements but have not yet been recovered for a period of more than 60 days from the issuance date of the decision; or</p> <p>(h) Debts of credit institutions under special control as announced by the SBV, or debts of foreign bank branches that capital and assets are blocked.</p>

Where a customer has more than one debt with the Bank and any of the outstanding debts is classified into a higher risk group, the Bank has to classify the entire remaining debts of that customer into the corresponding higher risk group.

In case a customer's debt is classified into a loan group with a lower risk group than the loan group according to the classification result provided by the Vietnam National Credit Information Center under the State Bank of Vietnam ("CIC"), the Bank must adjust the debt classification results according to the loan group provided by the CIC.

For off-balance sheet commitments, the Bank classifies debts based on the number of overdue days from the date when the Bank performs committed obligations:

- Group 3 – Sub-standard debts: overdue for a period of less than 30 days;
- Group 4 – Doubtful debts: overdue for a period of between 30 days and 90 days;
- Group 5 – Loss debts: overdue for a period of no less than 90 days.

Debt classification for debts with restructured repayment terms, interest and fee exemption and reduction to support customers affected by the Covid-19 pandemic

The Bank applies Circular No. 14/2021/TT-NHNN dated 7 September 2021 ("Circular 14") and Circular No. 03/2021/TT-NHNN dated 2 April 2021 ("Circular 03") of the State Bank of Vietnam amending and supplementing a number of articles of Circular No. 01/2020/TT-NHNN dated 13 March 2020 ("Circular 01") of the State Bank of Vietnam providing regulations on loan restructuring regulating, interest and/or fees exemption or reduction and loan classification retention to assist customers affected by the Covid-19 pandemic. Accordingly, for customers with debts arising before 1 August 2021 and the obligation to repay principal and/or interest arises during the period from 23 January 2020 to 30 June 2022, and these customers are unable to repay the principal and/or interest on time according to the signed loan contract or agreement due to a decrease in revenue and income due to the impact of the Covid-19 pandemic, the Bank is allowed to restructure the debt repayment period, waive or reduce interest and fees, and maintain the debt group as follows:

<i>Disbursement date</i>	<i>Overdue status</i>	<i>Overdue date</i>	<i>Principle of loan classification retention</i>
Before 1/8/2021	Current or overdue for a period of 10 days	From 30/3/2020 to 30/6/2022	Retain the latest loan classification as before 23 January 2020 or as before the first-time restructuring date
Before 23/1/2020	Overdue	From 23/1/2020 to 29/3/2020	Retain the latest loan classification as before 23 January 2020
From 23/1/2020 to 10/6/2020		From 23/1/2020 to 17/5/2021	Retain the latest loan classification as before overdue transferring date
From 10/6/2020 to 1/8/2021		From 17/7/2021 to 7/9/2021	
Before 24/4/2023	Current or overdue for a period of up to 10 days	From 24/4/2023 to 30/6/2024	Retain the latest loan classification as before the restructuring date

Debt classification for debts with restructured repayment terms, keeping the debt group unchanged to support customers facing difficulties in production and business activities and customers facing difficulties in repaying loans for living and consumption needs.

From 24 April 2023, the Bank restructures the debt repayment period and maintain the debt group to assist customers facing difficulties in production and business activities and customers facing difficulties in repaying loans for living and consumption needs according to the provisions of Circular No. 02/2023/TT-NHNN issued by the State Bank of Vietnam on 23 April 2023 ("Circular 02") and Circular No. 06/2024/TT-NHNN issued by the State Bank of Vietnam on 18 June 2024 ("Circular 06") amending and supplementing some articles of Circular 02. Accordingly, the Bank will restructure the

debt repayment period and maintain the debt group at the most recent time before restructuring for debts that meet the following conditions:

- Debt incurred before 24 April 2023 from lending activities and arising obligations to repay principal and/or interest during the period from 24 April 2023 to 31 December 2024;
- The outstanding balance of the debt with restructured repayment term is within the due date or overdue up to 10 days from the due date of payment;
- The Bank assesses customers who are unable to repay the principal and/or interest on time according to the contract due to a decrease in revenue and income but are able to repay the principal and/or interest in full according to the restructured repayment period.

(ii) Allowance for credit losses

Allowance for credit losses comprises specific allowance for credit losses and general allowance for credit losses.

Specific allowance for credit losses

In accordance with Decree 86, a specific allowance for credit losses at the end of each month is calculated based on the allowance rate corresponding to each debt group and outstanding principal of debts at the last working day of each month less the deduction value of collateral assets.

The specific allowance rate applied to each debt group is as follows:

Group	Type	Specific provision rate
1	Current debts	0%
2	Special mentioned debts	5%
3	Sub-standard debts	20%
4	Doubtful debts	50%
5	Loss debts	100%

The value and maximum deduction rate of collateral assets are determined according to the allowance of Decree 86 and Circular 31, whereby each type of collateral has a certain maximum deduction rate for the purpose of calculating allowance for credit risks.

The Bank determines and records the specific amount of additional provisions to be set aside for all outstanding customer debt on a monthly basis, including the debt balance that has been restructured, exempted, or reduced interest based on the debt classification results according to Circular 31 (if the regulation on maintaining the debt group according to Circular 01, Circular 03 and Circular 14 is not applied) as follows:

Additional allowance for each stage	Duration
At least 30% of the additional specific allowance must be made.	As of 31 December 2021
At least 60% of the additional specific allowance must be made.	As of 31 December 2022
100% of the additional specific allowance must be made.	As of 31 December 2023

The Bank determines and records the additional specific allowance be set aside for all outstanding customer debt, including debt balances with restructured terms, exempted or reduced interest according to the debt classification results according to Circular 11 (if not applying the regulation on maintaining the debt group according to the provisions of Circular 02) as follows:

Additional allowance	Deduction period
At least 50% of the additional specific allowance must be made.	As of 31 December 2023
At least 100% of the additional specific allowance must be made.	As of 31 December 2024

General allowance for credit losses

According to Decree 86, a general allowance for credit losses is made at the rate of 0.75% of the total outstanding principal balance on the last working day of each month of debts from Group 1 to Group 4 excluding term deposits and loans to other credit institutions, purchases of valuable papers issued by other credit institutions, and repurchases of government bonds.

The application of the requirements of Decree 86 and Circular 31 does not have a material impact on the Bank's financial statements for the period ended 30 September 2024.

(iii) Write-off bad debts

In accordance with Decree 86, loans to customers are written-off against the allowance when they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations) or borrowers are deceased or missing (for borrowers being individuals).

Written-off debt against allowance are recorded as off-balance sheet items for following up and collection. The amounts collected from the debts previously written-off are recognised in the interim separate statement of income upon receipt.

(iv) Allowance for off-balance sheet commitments

The debt classification of off-balance sheet commitments is to control and monitor credit quality. The Bank is not required to make allowance 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 for credit losses is made in accordance with the accounting policy as described in Note III.8(i) and Note III.8(ii).

9. Investment securities

(i) Available-for-sale securities

Classification and recognition

Available-for-sale securities include debt and equity securities that are acquired by the Bank for the investment and available-for-sale purposes, not regularly traded but can be sold when there is a benefit. For equity securities, the Bank is also neither the founding shareholder nor the strategic partner and does not have the ability to make certain influence in establishing and making the financial and operating policies of the investees through a written agreement on assignment of its personnel to the Board of Directors/Board of Management.

Available-for-sale equity securities are initially recognised at cost at the purchase date and continuously presented at cost in subsequent periods.

Available-for-sale debt securities are recognised at par value at the purchase date. Accrued interest (for debt securities with interest payment in arrears) and deferred interest (for debt securities with interest payment in advance) is recognised in a separate account. Discount/premium, which is the difference between the cost and the amount being the par value plus (+) accrued interest (if any) or minus (-) deferred interest (if any) is also recognised in a separate account.

In subsequent periods, these securities are continuously recognised at par value, and the discount/premium (if any) is amortised to the interim separate statement of profit and loss on a straight-line basis over the remaining term of securities. Interest received in arrears is recognised as follow: Cumulative interest incurred before the purchasing date is recognised as a decrease in the accrued interest; cumulative interest incurred after the purchasing date is recognised as income based on the accumulated method. Interest receivable in advance is amortised into the securities investment interest income on a straight-line basis over the term of securities investment.

Measurement

Periodically, available-for-sale securities will be considered for impairment

Allowance for impairment of securities is made when carrying value of the securities is higher than its market value in compliance with Circular No. 48/2019/TT-BTC and Circular No. 24/2022/TT-BTC. Allowance for impairment is recognised in the "Net gain/(loss) from investment securities" account of the interim separate statement of profit and loss.

For corporate bonds that have not yet been listed on the securities market or have not been registered for trading on unlisted public companies, the Bank shall make allowance for those bonds in accordance with Decree 86 as described in Note III.8(iii).

Allowance for securities held for trading which is mentioned above is reversed when the recoverable amount of securities held for trading increases after the allowance is made as a result of an objective event. Allowance is reversed up to the gross value of these securities before the allowance is made.

Derecognition

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

(ii) Held-to-maturity securities

Classification and recognition

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

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 debt securities are initially recognised at cost, which includes purchase price plus directly attributable costs such as brokerage, transaction, information, taxes, fees and bank charges (if any). These securities are subsequently recognised at amortised cost (affected by amortization of discounts and premiums) less allowance for securities risks (including allowance for credit risks and allowance for securities value diminution). Premiums and discounts arising from the purchase of debt securities are amortised to the interim separate income statement on a straight-line basis over the holding period.

Held-to-maturity debt securities of unlisted enterprises are recorded at cost less credit risk provision in accordance with Decree 86 as presented in Note III.9.

Post-acquisition interest income from held-to-maturity securities is recognised in the separate statement of income on an accrual basis. Interest income from held-to-maturity securities which is attributable to the period before acquisition date is deducted from the carrying amount of held-to-maturity securities.

The allowance for credit losses of held-to-maturity unlisted corporate bonds and allowance for diminution in the value of other held-to-maturity securities as mentioned above are reversed if the recoverable amount increases after the allowance being recognised. An allowance is reversed only to the extent that the securities' 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 of with these securities.

(iii) Special bonds issued by Vietnam Asset Management Company ("VAMC")

Special bonds issued by VAMC are valuable papers with specific term issued by VAMC to purchase bad debts from the Bank. Special bonds are recognised at par value at the transaction date and continuously recognised at par value in subsequent periods. Par value of special bonds relating to the bad debts sold, is the difference between the outstanding loan balance and unused balance of specific allowance of loan.

During the holding period, the Bank annually calculates and make allowance in accordance with Circular No. 14/2015/TT-NHNN dated 28 August 2015 amending and supplementing some articles of Circular No. 19/2013/TT-NHNN which stimulates the purchase, sale and write-off bad debts of VAMC.

As required by Circular No. 14/2015/TT-NHNN, each year within five consecutive working days prior to the maturity date of special bonds, the Bank is obliged to fully make specific allowance for each special bond using the below formula:

$$X_{(m)} = \frac{Y}{n} \times m - (Z_m + X_{m-1})$$

In which:

- $X_{(m)}$ is minimum allowance for special bonds in the m^{th} year;
- X_{m-1} is accumulated specific allowance for special bonds in the $m-1^{\text{th}}$ year;
- Y is par value of special bonds;
- n is term of the special bond (years);
- m is the number of years from the bond issuance date to the provision date;
- Z_m is accumulated bad debt recoveries at the allowance date (m^{th} year). Credit institutions should co-operate with VAMC to determine the recovery of the bad debts.

If $(Z_m + X_{m-1}) \geq (Y/n \times m)$, the specific allowance ($X_{(m)}$) will be zero (0).

Specific allowance for each special bond is recognised in the interim statement of profit or loss in "Allowance expense for credit losses". General allowance is not required for the special bonds.

Allowance for special bonds issued by VAMC belonging to the Restructuring Plan is made in compliance with the official approval, guidance of the SBV for the Post-merger Restructuring Plan and the Bank's proposal in the Restructuring Plan (Note III.2).

On settlement date of special bonds, interest receipt from recovering of debts is recognised into "Interest and similar income".

10. Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specific date in the future are not derecognised from the interim separate financial statements. The corresponding cash received is recognised in the interim separate statement of financial position as a liability item. The difference between the sale price and repurchase price is recognised to the interim separate statement of profit or loss using contract interest rate.

Conversely, securities purchased under agreements to resell at a specific date in the future are recognised in the interim separate financial statements. The corresponding cash paid is recognised in the interim separate statement of financial position as an asset item. The difference between the repurchase price and sale price is recognised to the interim separate statement of profit or loss using contract interest rate.

Allowance for securities purchased with commitment to resell belonging to the Restructuring Plan is made in compliance with the official approval, guidance of the SBV for the Post-merger Restructuring Plan and the Bank's proposals in the Restructuring Plan (Note III.2).

11. Investments in subsidiaries

Investments in subsidiaries are recorded at cost in the interim separate financial statements of the Bank. Dividends received from the profit after tax of subsidiaries is recognised as income in the interim separate statements of profit or loss.

Allowance for impairment of investments in subsidiaries are made for each impaired investment, and are subject to revision at the end of the accounting period. The Bank makes allowance for impairment of investments in subsidiaries if the investment is impaired due to the subsidiaries' losses. Increases or decreases in the provision account balance are recognised in "Operating expenses".

12. Other long-term investments

Other long-term investments represent investments in other entities in which the Bank holds less than or equal to 11 % of voting rights. These investments are initially recorded at cost at the investment date.

Registered trading securities on unlisted public company market (UPCoM), allowance for diminution in value is made when their actual market price which determined by weighted average prices within the last 30 transaction days before the statement of financial position date announced by the Stock Exchange, is lower than the book value of the securities. In case of no transactions available within 30 days for such the securities prior to the statement of financial position date, the Bank determines the allowance rate for each investment similar to other investments below.

Accordingly, allowance for diminution in the value of each investment is made using below formula:

Level of allowance for investment	=	Actual rate of charter capital (%) of the Bank at a business organisation at the time of making the allowance	x	Parties' actual investment capital at the business organisation receiving capital contribution at the time of making the allowance	-	Actual equity capital of business organisation at the time of making the allowance
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Allowance is reversed when the recoverable amount of the investment increases after the allowance made. Allowance is reversed up to the extent that the carrying value of the investment does not exceed the carrying value of this investment assuming that no allowance is recognised.

13. Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties and 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, maintenance, and overhaul costs, is charged to separate statement of income in the period 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 items of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 - 50 years
▪ machines and equipments	3 - 8 years
▪ motor vehicles	7 - 10 years
▪ other fixed assets	6 - 25 years

14. Intangible fixed assets

(i) Land use rights

Land use rights comprise:

- Those granted by the State for which land use payments are collected; and
- Those acquired in a legitimate transfer; and
- Rights to use leased land obtained before the effective date of Land Law 2003 for which payments have been made in advance for more than 5 years and supported by land use rights certificate issued by a competent authority.

Land use rights are stated at cost less accumulated amortisation. The initial cost of land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights.

Indefinite land use rights are stated at cost and are not amortised.

Definite land use rights are stated at cost less accumulated amortisation on a straight-line basis over the period ranging from 7 to 61 years.

(ii) Computer software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and recognised as an intangible asset. Software cost is amortised on a straight-line basis within 4 - 5 years.

15. Leased assets

Payments made under operating leases are recognised in the interim separate statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the interim separate statement of income as an integral part of the total lease expense.

16. Other assets

(i) Construction in progress

Construction in progress represents the costs of construction and purchases of machinery equipment which have not been fully completed or installed. No depreciation is provided for construction in progress during the period of construction and installation.

(ii) Receivables classified as credit risk bearing assets

Except for receivables from credit activities under the Post-merger Restructuring Plan, which are recorded, evaluated, and provisioned by the Bank in accordance with the approval documents of the State Bank of Vietnam on the Post-merger Restructuring Plan and the Bank's recommendations in the Restructuring Plan as described in Note III.2, receivables classified as credit risk bearing assets are stated at cost less any allowance for credit losses. The Bank classifies and makes allowance for these receivables in accordance with the accounting policy as described in Note III.8.

(iii) Other assets

Other receivables not classified as credit risk bearing assets are stated at cost less allowance for other assets.

Other receivables not classified as credit risk bearing assets are considered as allowance for credit risks based on the aging schedule of overdue receivables or the expected loss that may occur in the event that the debt has not yet reached maturity, but the economic organisation is bankrupt or undergoing dissolution procedures; the debtor is missing, absconding, being prosecuted, tried by law enforcement agencies, or serving a sentence or has died. The arising allowance costs are recognised in "Operating expenses" during the period.

For overdue receivables, the provision level is prescribed in Circular No. 48/2019/TT-BTC and Circular No. 24/2022/TT-BTC as follows:

Overdue status	Provision rate
Over 6 months to less than 1 year	30%
From 1 to less than 2 years	50%
From 2 to less than 3 years	70%
From 3 years and above	100%

(iv) Prepaid expenses and deferred expenses

Prepaid expenses include short-term prepaid expenses or long-term prepaid expenses on the interim separate financial position and are amortised over the period for which the prepayments are made or the period in which economic benefits are generated from these expenses.

17. Deposits and borrowings from other credit institutions, deposits from customers and valuable papers issued

Deposits and loans from other credit institutions, customer deposits and valuable papers issued are disclosed and presented at the principal balance at the end of the accounting period. At the time of initial recognition, cost of issuing valuable papers is recognised as a decrease in the original balance of valuable papers. The Bank allocates the expense to "Interest and similar expense" over the term of valuable papers on straight-line method.

18. Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Bank.

19. Fiduciary activities

Entrusted operations that the Bank bears no risks

The Bank provides services of holding assets in trust or in a fiduciary capacity. Assets held in trust or in a fiduciary capacity are not reported in the interim separate financial position since they are not assets of the Bank

Entrusted operations that the Bank bears all risks

The Bank receives entrusted funds from the trustor in order to grant loans to borrowers. The Bank recognises loan balance granted from entrusted funds in the loans to customer's account. The accounting policy for loans granted to customers is in accordance with regulations of the SBV and is described in Note III.8.

20. Science and Technology Development Fund

According to the relevant regulations and Official Letter No. 10186/NHNN-TCKKT dated 24 December 2009 issued by the State Bank of Vietnam to the Bank, the Science and Technology Development Fund is recognised immediately in management expenses when the fund is made and credited to a

separate account in other payables, the Fund is used for fixed assets or operating expenses that are allowed to be netted-off by this fund.

21. Capital

(i) Charter capital

Ordinary shares are recognized at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognized as a deduction from share premium.

(ii) Share premium

On receipt of proceeds from share issuance from shareholders, the difference between the issue price and the par value of the shares is recorded in share premium account in equity.

(iii) Treasury shares

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. In all other cases, when shares recognized as equity are repurchased, their par value amount is recognized as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

22. Reserves

(i) Statutory reserves

According to Decree No. 93/2017/ND-CP dated 7 August 2017, the Bank is required to make the statutory reserves as follow:

	Basis for calculation	Maximum balance
Capital supplementary reserve	5% of profit after tax	100% charter capital
Financial reserve	10% of profit after tax	Not regulated

The purpose of financial reserve is to cover the remaining losses in the course of business after such losses being compensated by the organisations, individuals causing the losses, indemnity from the insurers and utilisation of allowance; to use for other purposes in accordance with the laws. The statutory reserves are non-distributable and are classified as part of equity.

(ii) Other reserves

Other reserves comprise investment and development fund and other reserves appropriated from the profit after tax decided by the shareholders at the Annual General Meeting. These reserves are not required by laws, fully distributable and classified as part of equity.

23. Off-balance sheet items

Commitments and contingent liabilities

Depend on times, the Bank has commitment to grant credit which has not yet been fulfilled. These commitments take the form of approved loans and overdraft facilities. The Bank also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. The contingent liabilities and commitments may expire without being advanced in whole or in part. Therefore, the amounts do not represent a firm commitment of future cash flows.

24. Interest income and interest expense

Interest income and expenses are recognised in the interim separate income statement on an accrual

basis. Accrued interest arising from loans classified from groups 2 to 5 according to Circular 31 and loans with restructured repayment terms and maintained in the same debt group as prescribed will not be recognised in the interim separate income statement. Accrued interest on these debts is transferred to off-balance sheet accounts to follow up and recognised in the interim separate income statement when the Bank actually receives it.

25. Fees and commission income

Fees and commission income are recognized when service are provided.

26. Income from investments

Income from investment securities is determined based on the difference between the selling price and the average cost price of the securities sold.

Cash dividends from equity investment are recognised as income when the Bank's right to receive the payment is established. For stock dividends and bonus shares, the number of shares is updated only and no dividend income is recognised in the interim separate statement of profit or loss.

27. Income and expenses from the sale of debts

Income and expenses from the sale of debts are recognised in accordance with Circular No. 09/2015/TT-NHNN issued by the SBV promulgating regulations on the purchase and sale of debts of credit institutions and foreign bank branches. Accordingly, the difference between the debt purchase and sale prices and book value of the debt seller is accounted as follows:

For debts that are being recorded in-balance sheet:

- If the sale price of debts is higher than the book value, the difference is recorded as income of the Bank in the period.
- If the sale price of debts is lower than the book value, the difference is offset from the compensation from the individuals or collectives (in case of losses caused by individuals or collectives and are required to compensate in accordance with regulations), insurance claims from the insurers and the risk provision being established and recognised in expenses, the deficit is recorded as expenses of the Bank in the period.

For debts being recognised in off-balance sheet, debts removed from the balance sheet, the proceeds from the sale of the debt are recognised as other income of the Bank.

Book value of debts purchased and sold is the book value of the principal, interest and related financial obligations (if any) of debts recorded in the consolidated statement of financial position or the off-balance-sheet at the date of debt purchase or sale; or the book value at the date of writing-off of debts; or the book value of debts written off previously at the date of debt purchase and sale.

Debt purchase and sale price are the sum of money to be paid by a debt purchaser to a debt seller under a debt purchase and sale contract.

28. Other income

Receivables which have recorded as income but then they are assessed to be uncollectable or are not collected at maturity date will be recognised as a reduction of income when are incurred in the same period or recognised as expense when incurred in a different period and monitored off-balance-sheet, then recognised in the interim separate statements of profit or loss upon actual receipt.

29. Corporate Income tax

Income tax on the profit or loss for the period comprises current and deferred tax. Income tax is recognised in the statement of income except to 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 period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods. Deferred tax is provided using the balance sheet 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 amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference 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.

30. Foreign currency transactions

In accordance with the accounting system of the Bank, all transactions are recorded 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. Income and expenses arising in foreign currencies during the year are converted into VND at rates ruling at the transaction dates. Foreign exchange differences arising from the translation of monetary assets and liabilities are recognised and followed in the "Foreign exchange differences" under "Owners' Equity" section and will be transferred to the separate statement of profit or loss at the end of the financial year.

31. Provision

A provision except for allowance prescribed in Note III.8, III.9, III.16 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 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.

32. Severance allowance and unemployment insurance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more ("the eligible employees") voluntarily terminates their labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their average salary for the six-month period prior to the end of the [annual] accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Bank are excluded.

33. Related parties

Parties are considered to be related to the Bank if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Bank and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

34. 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 segments. The Bank's secondary format for segment reporting is based on business segments. Currently, the Bank operates in one business segment which is financial services.

35. 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 considered 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 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 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.

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 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 liabilities

Financial 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 at fair value through profit or loss.

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 above described classification of financial instruments 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 instruments are disclosed in other relevant notes.

36. Nil balances

Items or balances required by Circular No. 49/2014/TT-NHNN issued by the State Bank of Vietnam on 31 December 2014 ("Circular 49") and Circular No. 27/2021/TT-NHNN issued by the State Bank of Vietnam on 31 December 2021 to amend and supplement Circular 49 that are not shown in this interim separate financial statement indicate nil balances.

V Notes to separate Balance sheet (unit : VND million)

Implementary information for items presented on Balance Sheet

1 Trading securities : Non

2 Derivatives and other financial assets

	Total contract value (at foreign exchange rate at contract date)	Total carrying value (at foreign exchange rate as at the balance sheet date)	
		Assets	Liabilities
1 At 31 Dec 2024			
Currency derivatives	49,363,120	-	54,007
- Forward currency contracts	3,018,962	-	8,187
- Swap currency contracts	46,344,158	-	45,820
- Buying currency options		-	-
- Selling currency options	-	-	-
2 - Other derivatives			
At 31 Dec 2023			
1 Currency derivatives	60,881,285	-	91,459
- Forward currency contracts	1,499,696	-	8,807
- Swap currency contracts	59,381,589	-	82,652
- Buying currency options		-	-
- Selling currency options	-	-	-
2 - Other derivatives			

3 Loans to customers

	Ending balance	Opening balance
Loans to local economic entities and individuals	526,118,317	471,378,083
Discounted transferrable instruments and valuable papers	221,919	62,537
Payments on behalf of customers	12,970	3,060
Frozen and awaiting resolution loans	412,000	412,000
Total	526,765,206	471,855,680

- Analysis of loans and financial lease by quality

	Ending balance	Opening balance
Group 1 - Current debts	511,009,727	458,343,585
Group 2 - Special mentioned debts	3,672,447	3,375,395
Group 3 - Sub-standard debts	1,368,081	1,442,895
Group 4 - Doubtful debts	2,486,262	4,156,771
Group 5 - Loss debts	8,228,689	4,537,034
Total	526,765,206	471,855,680

- Analysis of loans and financial lease by original term

	Ending balance	Opening balance
Short-term loans	341,225,269	302,759,223
Medium-term loans	52,543,128	48,338,882
Long-term loans	132,996,809	120,757,575
Total	526,765,206	471,855,680

Analysis of loans by currency is as follows:

In VND	517,782,025	463,460,399
In foreign currencies	8,983,181	8,395,281
Total	526,765,206	471,855,680

4 Provision for loans to customers:

- Current period information: from 01/01/2024 to 31/12/2024; previous period information: from 01/01/2023 to 31/12/2023

	<u>General allowance</u>	<u>Specific allowance</u>
Current period		
Beginning balance	3,504,705	3,099,308
Provision charged during the period	382,224	1,834,972
Provision used during the period	-	(755,694)
Ending balance	<u>3,886,929</u>	<u>4,178,586</u>
Previous period		
Beginning balance	3,195,744	1,396,300
Provision charged during the period	308,961	2,071,242
Provision used during the period	-	(368,234)
Ending balance	<u>3,504,705</u>	<u>3,099,308</u>

5 Investment securities

5.1 Available-for-sale securities

	<u>Ending balance</u>	<u>Opening balance</u>
a Debt securities	23,539,439	22,545,512
- Issued by the Government	11,639,439	17,645,512
- Issued by domestic credit institutions	11,900,000	4,900,000
- Issued by domestic economic entities	-	-
- Issued by foreign economic entities	-	-
b Equity securities	5,580	5,580
- Issued by domestic credit institutions	-	-
- Issued by domestic economic entities	5,580	5,580
- Oversea issuer	-	-
c - Provision for impairment of available-for-sale investment securities	(12,129)	(12,786)
- Provision	(12,129)	(12,786)
Total	<u>23,532,890</u>	<u>22,538,306</u>

5.2 Held-to-maturity investment securities

a	- Issued by the Government	57,915,188	45,456,081
b	- Issued by domestic economic entities	14,948,010	16,432,897
c	- Issued by domestic credit institutions	2,500,000	4,800,000
d	- Provision for held-to-maturity investment securities	(13,257,860)	(14,602,882)
	Total	<u>62,105,338</u>	<u>52,086,096</u>
	Total	<u>85,638,227</u>	<u>74,624,402</u>

6 Long-term investments

	<u>Ending balance</u>	<u>Opening balance</u>
Investments in subsidiaries	4,093,172	3,793,172
Investments in other entities	96,642	97,014
Provision for long-term investments	(574,935)	(613,807)
Total	<u>3,614,879</u>	<u>3,276,379</u>

7 Debts owned to the Government and the State Bank of Vietna	Ending balance	Opening balance
7.1 Debts owned to the State Bank of Vietnam :	54,237	19,273
Borrowing by credit documents	54,237	19,273
Borrowing through discounts and rediscounting valuable papers	-	-
7.2 Other borrowings	18	55
Other borrowings	18	55
Total	54,255	19,328
8 Due to and borrowings from other credit institutions	Ending balance	Opening balance
8.1 Due to other credit institutions		
a Demand deposits	10,926,390	9,890,898
- In VND	10,187,884	9,125,926
- In foreign currencies	738,506	764,972
b Term deposits	51,550,579	25,599,340
- In VND	47,186,000	21,100,000
- In foreign currencies	4,364,579	4,499,340
Total	62,476,969	35,490,238
8.2 Borrowings from other credit institutions	Ending balance	Opening balance
- In VND	9,004,774	2,259,276
<i>In which : Discount borrowings, rediscount valuable papers</i>	-	-
<i>Secured borrowings</i>	-	-
- In foreign currencies	98,870	1,176,674
<i>In which : Discount borrowings, rediscount valuable papers</i>	-	-
<i>Secured borrowings</i>	-	-
Total	9,103,644	3,435,950
Total due to and borrowings from other credit institutions	71,580,613	38,926,188
9 Due to customers		
Categorised by type of deposits	Ending balance	Opening balance
Demand deposits	101,026,923	92,688,701
- In VND	96,264,944	88,163,478
- In foreign currencies	4,761,979	4,525,223
Term deposits	458,328,211	411,944,006
- In VND	454,897,915	408,155,316
- In foreign currencies	3,430,296	3,788,690
Margin deposits	241,282	243,172
- In VND	201,704	222,291
- In foreign currencies	39,578	20,881
Special-purpose capital deposits	2,144,985	1,559,724
- In VND	1,415,106	976,047
- In foreign currencies	729,879	583,677
Total	561,741,401	506,435,603
10 Valuable papers issued	Ending balance	Opening balance
Definitive bonds issued to other credit institutions	5,000,000	2,000,000
Under 12 months	-	-
From 1 year to 5 years	5,000,000	2,000,000

From 5 years and above	-	-
Certificate of deposits	31,753,523	26,992,491
Under 12 months	441,068	492,958
From 1 year to 5 years	21,238,441	13,170,528
From 5 years and above	10,074,014	13,329,005
Total	36,753,523	28,992,491

Categorised by types	Ending balance	Opening balance
Face values	36,753,523	28,992,491
Total	36,753,523	28,992,491

Categorised by currencies	Ending balance	Opening balance
By VND	36,753,518	28,992,486
By USD	5	5
Total	36,753,523	28,992,491

11 Other liabilities

	Ending balance	Opening balance
Internal payables	1,773,257	1,491,842
External payables	12,900,090	45,952,042
General provision for losses on contingencies and commitment	-	-
- Bonus and welfare fund	2,095,445	2,063,727
Total	16,768,792	49,507,611

12 Obligations to the State Treasury and Deferred income tax

12.1 Obligations to the State Treasury

STT	Item	Ending balance	Movements during the period		Opening balance
			Payable	Paid	
1	VAT	60,313	640,865	(647,744)	53,434
2	BIT	928,006	2,711,288	(2,466,408)	1,172,886
3	Other taxes	56,703	626,446	(625,424)	57,725
	Total	1,045,022	3,978,599	(3,739,576)	1,284,045

12.2 Deferred income tax:

Deferred income taxes assets:	Ending balance	Opening balance
	446,415	304,957
- Deferred income tax assets in term of deductible temporary differences	236,642	160,796
- Reversal of deferred income tax assets in term of prior periods	(67,923)	(19,338)
Total	615,134	446,415

13 Owners' Equity

13.1 Statement of changes in owners' equity (detail in page 33)

13.2 Details of shares issued by the Bank are as follows:

	Ending balance	Opening balance
- Number of authorized shares :	1,885,215,716	1,885,215,716
- Number of issued shares :	1,885,215,716	1,885,215,716
+ Ordinary shares:	1,885,215,716	1,885,215,716
+ Preferred shares :	-	-

- Number of treasury shares :	-	-
+ Ordinary shares:	-	-
+ Preferred shares :	-	-
- Number of outstanding shares :	1,885,215,716	1,885,215,716
+ Ordinary shares:	1,885,215,716	1,885,215,716
+ Preferred shares :	-	-
- Face value of each share:	10.000 VND	10.000 VND

VI. Notes to separate Income statements (unit: VND million)

- Current period column: movements from 01/01/2024 to 31/12/2024
- Previous period column: movements from 01/01/2023 to 31/12/2023

14 Interest and similar income from

	<u>Current period</u>	<u>Previous period</u>
Interest income from deposits	1,593,937	800,963
Interest income from loans	44,698,879	51,684,278
Interest income from investments in debt securities:	2,173,673	1,795,792
- Interest income from trading securities	-	12,425
- Interest income from investments securities	2,173,673	1,783,367
Income from finance leases	245,300	257,091
Income from purchased debts	-	2,600
Income from other credit activities	406,328	532,195
Total	49,118,117	55,072,919

15 Interest and similar expenses on:

	<u>Current period</u>	<u>Previous period</u>
Interest expense on deposits	22,627,680	31,268,918
Interest expense on borrowings	177,237	371,670
Interest expense from issuance of valuable papers	2,013,349	1,892,513
Interest expense from other activities	324,804	102,351
Total	25,143,070	33,635,452

16 Net gain / loss from dealing of held-for- trading securities : Non

17 Net gain / loss from dealing of investment securities :

	<u>Current period</u>	<u>Previous period</u>
Income from dealing of investment securities	57,922	46,700
Expense from dealing of investment securities	(3,033)	(8,343)
Provision for imparment of investment securities	658	(4,540)
Total	55,547	33,817

18 Gain from capital contribution, share purchase : Non

	<u>Current period</u>	<u>Previous period</u>
Dividends received during the year		
- From trading securities	-	-
- From investment securities	-	-
- From investment in subsidiaries	300,000	276,630
- From other long-term investments	3,435	21,218
Total	303,435	297,848

19 Operating expenses

	<u>Current period</u>	<u>Previous period</u>
1 Taxes and other fees	409,892	265,114
2 Personnel expenses	7,022,358	6,489,163
In which: - Salary and allowances	6,320,092	5,864,156
- Salary related contribution, uniform and labour protec	392,879	385,134

	- Allowances	222,130	154,425
	- Uniform	87,257	85,448
	- Other fees	-	-
3	Asset expenditure :	2,659,486	2,658,004
	- In which: Depreciation and amortization charges	947,831	1,111,903
4	Other operating expenses:	2,003,648	1,852,738
	In which: - Business trip expense	147,408	122,611
	- Trade union expenses	-	8
5	Insurance for customer deposits	659,912	604,123
6	Provision for long-term investments	(38,872)	113,143
7	Provision for other assets	648,473	472,699
	Total	13,364,897	12,454,984

20	Transactions with related parties	<u>Current period</u>	<u>Previous period</u>
	Movements in current period		
	Interest expenses	(64,821)	(103,834)
	Interest income	505,047	516,797
	Fee and commission income	25,296	29,567
	Fee and commission expenses	(38,438)	(840)
	Dividends received	300,000	276,630
	Income from trading of foreign currencies	-	-
	Expense from trading of foreign currencies	(7,911)	(7,837)
	Other income	7,176	4,782
	Other expenses	31,884	(2,485)
	Post-tax remuneration of members of the Board of Directors	(32,550)	(29,900)
	Post-tax remuneration of members of the Board of Supervision	(14,875)	(14,663)
	Post-tax income of members of the Board of Management	(60,956)	(68,917)
	Balance at 31 Dec		
	Due from	4,749,150	4,111,998
	Loans	4,118,956	4,022,739
	Due to	(3,610,525)	(3,172,175)
	Certificates of deposit	(23,192)	(20,620)
	Other payables	117,425	120,482
	Other receivables	(40,330)	(56,786)
21	Concentration of assets, liabilities and off-balance sheet commitments by geographical area (detail in page 34)		

VIII. Financial risk management

22.1 Interest risk : detail in page 40

22.2 Currency risk: detail in page 41

22.3 Liquidity risk: detail in page 42

23 Carrying amount and fair value of financial assets and financial liabilities detail in page 43.

13.1 Statement of changes in owners' equity

	Charter capital	Share premium	Foreign exchange differences	Investment and development fund	Financial reserve	Capital supplementary reserve	Retained profits	Other capital	Total
Balance at 1 January 2024	18,852,157	1,747,651	118,046	83,479	2,862,765	1,629,272	19,661,838	1,774	44,956,982
Net profit for the year	-	-	-	-	-	-	10,016,099	-	10,016,099
Appropriation to reserve		-			709,589	373,468	(1,083,057)		-
Appropriation to bonus and welfare fund		-					(882,551)		(882,551)
Balance at 31 Dec 2024	18,852,157	1,747,651	118,046	83,479	3,572,354	2,002,740	27,712,329	1,774	54,090,530

21. Concentration of assets, liabilities and off-balance sheet commitments by geographical area

Unit: VND million

As at 31/12/2024	Domestic	Overseas	Total
Due from and loans to other credit institutions - gross	86,080,735	6,171,890	92,252,625
Loans to customers - gross	526,765,206	-	526,765,206
Held-for-trading and investment securities - gross	98,908,216	-	98,908,216
Long-term investments - gross	1,461,642	2,728,172	4,189,814
Debts owned to the Government and the SBV	54,255	-	54,255
Due to and borrowings from other credit institutions	70,755,166	825,447	71,580,613
Due to customers	559,468,909	2,272,492	561,741,401
Valuable papers issued	36,753,523	-	36,753,523
Derivatives	49,354,239	8,882	49,363,121
Off-balance-sheet commitments	115,518,733	1,627,352	117,146,085

VII. Financial risk management

22. Risk management policy for financial instruments

Risk is inherent in the Bank and its subsidiaries' activities and is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Bank and its subsidiaries' continuing profitability and each individual within the Bank and its subsidiaries is accountable for the risk prevention within their responsibilities. The Bank and its subsidiaries are exposed to credit risk, liquidity risk and market risk (then being subdivided into trading and non-trading risks). It is also subject to various operational risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. The Bank's policy is to monitor those business risks through the Bank and its subsidiaries' strategic planning process.

(i) Risk management structure

The Board of Management is ultimately responsible for identifying and controlling risks. However, each separate member shall be responsible for managing and monitoring risks.

(ii) Board of Management

The Board of Management is responsible for monitoring the overall risk management process within the Bank

(iii) Risk Management Committee

Risk Management Committee advises the Board of Management in the promulgation of procedures and policies under their jurisdiction relating to risk management in the Bank's activities.

Risk Management Committee analyses and provides warnings on the potential risks that may affect the Bank's operation and preventive measures in the short term as well as long term.

Risk Management Committee reviews and evaluates the appropriateness and effectiveness of the risk management of procedures and policies of the Bank to make recommendations to the Board of Management on the improvement of procedures, policies and operational strategies.

(iv) Board of Supervisors

The Board of Supervisors has the responsibility to control the overall risk management process within the Bank.

(v) Internal Audit

According to the annual internal audit plan, business processes throughout the Bank are audited annually by the internal audit function, which examines both the adequacy of the procedures and compliance with the Bank's procedures. Internal audit discusses the results of all assessments with the Board of Directors, reports its findings and recommendations to the Board of Supervisors.

(vi) Risk measurement and reporting systems

The Bank's risks are measured using a method which reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models.

Monitoring and controlling of risks are primarily performed based on limits established by the Bank in compliance with the SBV's regulations. These limits reflect the business strategy and market environment of the Bank as well as the level of risk that the Bank is willing to accept.

Information compiled from all business activities is examined and processed in order to analyze, control and early identify risks. This information is presented and explained to the Board of Management, Board of Directors, and the department heads. The report includes aggregate credit exposure, credit metric forecasts, limit exceptions, liquidity ratios and risk profile changes. The Board of Directors assesses the appropriateness of the allowance for credit losses on a quarterly basis. The Board of Directors receives a comprehensive risk report quarterly which is designed to provide all the necessary information to assess and conclude on the risks of the Bank.

For all levels throughout the Bank, specifically tailored risk reports are prepared and distributed in order to ensure that all business departments have access to extensive, necessary and up-to-date information.

(vii) Risk mitigation

The Bank actively uses collaterals to reduce its credit risks..

(viii) Excessive risk concentration

Concentrations arise when many counterparties are engaged in similar business activities, or activities in the same geographic region, or have similar economic features that would affect the group of customers' payment obligations or payment receipt rights when due under changes in economic, political or other conditions.

These above concentrations indicate the relative sensitivity of the Bank's performance to the development of a particular industry or geographic allocation.

In order to avoid excessive concentrations of risk, the Bank's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Selective hedging is used within the Bank in respect of the industries and other related factors.

23. Market risk

23.1 Interest rate risk: detail in page 40

Interest rate risk arises from the possibility that changes in interest rates will affect the fair values of financial instruments. The Bank are exposed to interest rate risk as a result of mismatches of maturity dates or dates of interest rate re-pricing in respect of assets, liabilities and off-balance-sheet instruments over a certain period. The Bank manages this risk by matching the dates of interest rate re-pricing of assets and liabilities through risk management strategies.

Analysis of assets and liabilities based on interest rate re-pricing date

Re-pricing term of the effective interest rate is the remaining period from the date of the separate financial statements to the nearest re-pricing date of interest rate applicable to assets and equity.

The following assumptions and conditions are used in analysis of the re-pricing period of interest rates of the Bank's assets and liabilities:

- ▶ Cash and gold; investment in equity securities; long-term investment and other assets (including fixed assets, derivative financial instruments and other assets) are classified as non-interest bearing items;
- ▶ The re-pricing term of balances with the SBV is considered as up to one month;
- ▶ The re-pricing term of investment securities and trading securities is calculated based on the time to maturity from the statement of financial position date for each type of securities;
- ▶ The re-pricing term of placements with other banks and loans to other banks; loans to customers; borrowings from the Government and the SBV; placements and borrowings from other credit institutions and customer deposits and grants are determined as follows:
 - Items which bear fixed interest rate during the contractual term: The re-pricing term is determined based on the time to maturity from the statement of financial position date;
 - Items which bear floating interest rate: The re-pricing term is determined based on the time to the nearest interest rate re-pricing date from the statement of financial position date.
- ▶ The re-pricing term of valuable papers is determined based on the term of each types of valuable papers.

23.2 Currency risk: detail in page 41

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

The Bank is incorporated and operating in Vietnam with reporting currency as VND. The major currency of its transaction is also VND, some transactions are denominated in gold, USD, EUR and other foreign currencies. The Bank has set limits to control the positions of the currencies. Positions are monitored

on a daily basis and hedging strategies are used to ensure positions of the currencies to be maintained within the established limits.

24.3 Liquidity risk: detail in page 42

Liquidity risk is the risk which the Bank has difficulties in meeting the obligations of financial liabilities. Liquidity risk occurs when the Bank cannot afford to settle debt obligations at the due dates in the normal or stress conditions. To manage the liquidity risk exposure, the Bank has diversified the mobilization of deposits from various sources in addition to its basic capital resources. In addition, the Bank has established policy for control of liquidity assets flexibly; monitor the future cash flows and daily liquidity. The Bank has also evaluated the estimated cash flows and the availability of current collateral assets in case of obtaining more deposits.

The maturity term of assets and liabilities is the remaining period of assets and liabilities as calculated from the statement of financial position date to the settlement date in accordance with contractual terms and conditions.

The following assumptions and conditions are applied in the analysis of maturity of the Bank's assets and liabilities:

- ▶ Balances with the SBV are classified as demand deposits which include compulsory deposits;
- ▶ The maturity term of investment securities - listed debt securities is considered within one (1) month because of their high liquidity; investment securities - equity securities is considered as from one (1) to three (3) months; maturity term of investment securities - unlisted debt securities and special bond issued by VAMC is calculated based on the maturity date of each kind of securities;
- ▶ The maturity term of borrowings from the Government and the SBV; valuable papers issued; due from and loans to other credit institutions; loans and advances to customers is determined based on the maturity date as stipulated in contracts. The actual maturity term may be altered because loan contracts may be extended;
- ▶ The maturity term of long-term investments is considered as more than five (5) years because these investments do not have specific maturity date;
- ▶ The maturity term of due to and borrowings from other credit institutions; derivatives; other financial liabilities and customer deposits are determined based on features of these items or the maturity date as stipulated in contracts. Vostro account and demand deposits are transacted as required by customers, and therefore, classified as current accounts. The maturity term of borrowings and term deposits is determined based on the maturity date in contracts. In practice, these amounts may be rolled over, and therefore, they may last beyond the original maturity date;
- ▶ The maturity term of fixed assets is determined based on the remaining useful life of assets.

The following table presents the Bank's assets and liabilities by relevant maturity based on the remaining period calculated as at 31 December 2022. In fact, these amounts may be rotated, and therefore, they last beyond the original maturity date.

24.4 Other market risks

Except for the assets and liabilities presented above, the Bank has no other market price risks which have risk level accounting for 5% or more of net profit or the value of assets, liabilities accounting for 5% or more of total assets.

IX. SUPPLEMENTAL NOTES ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES ACCORDING TO CIRCULAR NO. 210/2009/TT-BTC

On 6 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") which is effective for financial years beginning on or after 1 January 2011.

The Circular 210 only provides for the presentation and disclosures of financial instruments; therefore, the concepts of financial assets, financial liabilities and related concepts are applied solely for the supplemental presentation. Assets, liabilities and equity of the Bank and its subsidiaries have been recognized and measured in accordance with the Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions, the official approvals for the Post-merger Restructuring Plan of the State Bank of Vietnam and the Bank's proposals in the Restructuring Plan in relation to accrued

interest receivables, VAMC's special bonds, bad debts, doubtful assets and equity investments during the restructuring period and statutory requirements relevant to preparation and presentation of the Bank financial statements

Financial assets

Financial assets of the Bank and its subsidiaries within the scope of Circular 210 comprise cash, gold, precious stones, balances with State Bank, due from other credit institutions, loans and finance leases to customers and other credit institutions, trading and investment securities, receivables and other assets under currency derivative contracts.

According to Circular 210, financial assets are classified appropriately, for the purpose of disclosure in these consolidated financial statements, into one of the following categories:

► A financial asset at fair value through profit or loss:

Is a financial asset that meets either of the following conditions:

a) It is classified as held-for-trading. A financial asset is classified as held-for-trading if:

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- There is evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

b) Upon initial recognition, it is designated by the Bank and its subsidiaries as at fair value through profit or loss.

► Held-to-maturity investments:

Are non-derivative financial assets with fixed or determinable payments and fixed maturity that the Bank and its subsidiaries has the positive intention and ability to hold to maturity other than:

- a) Those that the Bank and its subsidiaries upon initial recognition designated as at fair value through profit or loss;
- b) Those that the Bank and its subsidiaries designates as available for sale;
- c) Those that meet the definitions of loans and receivables.

► Loans and finance leases to customers and receivables:

Are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market other than:

- a) Those that the Bank and its subsidiaries intends to sell immediately or in the near term, which shall be classified as held-for-trading, and those that the Bank and its subsidiaries upon initial recognition designated as at fair value through profit or loss;
- b) Those that the Bank and its subsidiaries upon initial recognition designated as available-for-sale; or
- c) Those for which the Bank and its subsidiaries may not recover substantially all of its initial investment, other than because of credit deterioration, which shall be classified as available for sale.

► Available-for-sale assets:

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

- a) Loans and receivables;
- b) Held-to-maturity investments;
- c) Financial assets at fair value through profit or loss

Financial liabilities

Financial liabilities of the Bank and its subsidiaries within the scope of Circular 210 consist of borrowings from the Government and the State Bank, due to and borrowings from other credit institutions, due to customers, grants, entrusted funds and loans exposed to risks, valuable papers issued, payables and other liabilities under currency derivative contracts.

According to Circular 210, financial liabilities are classified appropriately, for the purpose of disclosure in these consolidated financial statements, into one of the following categories:

► A financial liability at fair value through profit or loss:

Is a financial liability that meets either of the following conditions:

a) It is classified as held-for-trading. A financial liability is classified as held-for-trading if:

- It is acquired or incurred principally for the purpose of selling or repurchasing it in the near term; or
- There is evidence of a recent actual pattern of short-term profit-taking; or
- It is a derivative (except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument).

b) Upon initial recognition it is designated by the Bank and its subsidiaries as at fair value through profit or loss.

► Financial liabilities at amortized cost:

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

Offsetting financial assets and liabilities

Financial assets and financial liabilities are offset and reported at the net amount in the consolidated balance sheet, if and only if, the Bank and its subsidiaries have an enforceable legal right to offset financial assets against financial liabilities and the Bank and its subsidiaries have intention to settle on a net basis, or the realization of the assets and settlement of liabilities is made simultaneously.

Fair value of financial instruments

The fair value of cash and short term deposits approximate to their carrying value due to their short term maturity.

25. Carrying amount and fair value of financial assets and financial liabilities (detail in page 44)

22.1 Interest risk

As at 31 Dec 2024	Overdue	Free of interest	Less than 1 month	From 1 to 3 months	From over 3 to 6 months	From over 6 to 12 months	From over 1 to 5 years	Over 5 years	Total
Assets									
I - Cash on hand, gold and gemstones	-	7,948,136	-	-	-	-	-	-	7,948,136
II - Balances with the State Bank of Vietnam	-	-	15,773,101	-	-	-	-	-	15,773,101
III - Due from and loans to other credit institutions – gross	-	-	87,752,625	1,180,000	2,380,000	940,000	-	-	92,252,625
IV - Trading securities – gross	-	-	-	-	-	-	-	-	-
V- Derivatives and other financial assets	-	-	-	-	-	-	-	-	-
VI - Loans to customers – gross	15,755,479	-	176,969,166	325,880,434	257,241	484,340	2,605,292	4,813,254	526,765,206
VII - Purchased debts – gross	-	-	-	-	-	-	-	-	-
VIII - Investment securities – gross	-	14,953,590	1,675,823	1,125,700	5,034,957	4,250,040	31,201,582	40,666,524	98,908,216
IX - Capital contribution, long-term investments – gross	-	4,189,814	-	-	-	-	-	-	4,189,814
X - Fixed assets	-	7,133,243	-	-	-	-	-	-	7,133,243
XI - Other assets – gross	2,206,033	11,286,061	-	-	-	-	-	-	13,492,094
Total assets	17,961,512	45,510,844	282,170,715	328,186,134	7,672,198	5,674,380	33,806,874	45,479,778	766,462,435
Liabilities									-
I- Due to and borrowings from other credit institutions, SBV	-	-	70,939,917	629,059	10,501	15,490	39,901	-	71,634,868
II- Due to customers	-	869,254	198,248,005	120,672,660	126,603,365	108,412,077	6,927,199	8,841	561,741,401
III- Derivatives and other financial liabilities	-	54,007	-	-	-	-	-	-	54,007
IV- Grants and entrusted funds received	-	-	-	-	-	-	-	-	-
V- Valuable papers issued	-	-	5,651,842	1,170,918	17,033,831	7,878,985	5,017,947	-	36,753,523
VI- Other liabilities	-	16,768,792	-	-	-	-	-	-	16,768,792
Total liabilities	-	17,692,053	274,839,764	122,472,637	143,647,697	116,306,552	11,985,047	8,841	686,952,591
Interest sensitivity gap of balance sheet items	17,961,512	27,818,791	7,330,951	205,713,497	(135,975,499)	(110,632,172)	21,821,827	45,470,937	79,509,844
Interest sensitivity gap of off-balance sheet items									-
Total interest sensitivity gap	17,961,512	27,818,791	7,330,951	205,713,497	(135,975,499)	(110,632,172)	21,821,827	45,470,937	79,509,844

22.2 Currency risk

As at 31 Dec 2024	EUR	USD-translated	Gold-translated	Other currencies-translated	Total
Assets					
I - Cash on hand, gold and gemstones	223,265	2,270,570	60,151	359,641	2,913,627
II - Balances with the State Bank of Vietnam	797	707,923	-	-	708,720
III - Due from and loans to other credit institutions – gross	82,608	6,806,720	-	3,566,703	10,456,031
IV- Trading securities – gross	-	-	-	-	-
V- Derivatives and other financial assets	-	-	-	-	-
VI - Loans to customers – gross	-	8,982,051	1,130	-	8,983,181
VII - Purchased debts – gross	-	-	-	-	-
VIII- Investment securities – gross	-	-	-	-	-
IX- Capital contribution, long-term investments – gross	-	-	-	-	-
X- Fixed assets	-	-	-	-	-
XI- Other assets – gross	-	818,623	-	80	818,703
Total assets	306,670	19,585,887	61,281	3,926,424	23,880,262
Liabilities and equity	210,840	21,678,145	-	3,545,705	25,434,690
I- Due to and borrowings from other credit institutions, SBV	3,082	5,062,810	-	136,062	5,201,954
In which: Due to and borrowings from foreign credit institutions	3,074	604,756	-	136,062	743,892
II- Due to customers	195,048	8,051,950	-	714,736	8,961,734
III- Derivatives and other financial liabilities	9,595	8,404,220	-	2,682,673	11,096,488
IV- Grants and entrusted funds received	-	-	-	-	-
V- Valuable papers issued	-	5	-	-	5
VI- Other liabilities	3,115	159,160	-	12,234	174,509
VII- Equity					-
Total liabilities and equity	210,840	21,678,145	-	3,545,705	25,434,690
FX position on-balance sheet	95,830	(2,092,258)	61,281	380,719	(1,554,428)
FX position off-balance sheet	(94,926)	2,201,850	-	(294,817)	1,812,107
FX position on and off-balance sheet	904	109,592	61,281	85,902	257,679

22.3 Liquidity risk

As at 31 Dec 2024	Overdue		Current					Total
	Overdue over 3 months	Overdue up to 3 months	Up to 1 month	From over 1 to 3 months	From over 3 to 12 months	From over 1 to 5 years	Over 5 years	
Assets								
I - Cash on hand, gold and gemstones	-	-	7,948,136	-	-	-	-	7,948,136
II - Balances with the State Bank of Vietnam	-	-	15,773,101	-	-	-	-	15,773,101
III - Due from and loans to other credit institutions – gross	-	-	87,752,625	1,180,000	3,320,000	-	-	92,252,625
IV - Trading securities – gross	-	-	-	-	-	-	-	-
V- Derivatives and other financial assets	-	-	-	-	-	-	-	-
VI - Loans to customers – gross	12,083,032	3,672,447	33,265,751	98,805,778	189,563,182	76,424,992	112,950,024	526,765,206
VII - Purchased debts – gross	-	-	-	-	-	-	-	-
VIII - Investment securities – gross	-	-	12,189,518	106,354	12,044,698	35,917,444	38,650,202	98,908,216
IX - Capital contribution, long-term investments – gross	-	-	-	-	-	-	4,189,814	4,189,814
X - Fixed assets	-	-	6,302	3,604	73,971	1,335,444	5,713,922	7,133,243
XI - Other assets – gross	2,206,033	-	5,296,447	736,039	2,413,141	2,753,121	87,313	13,492,094
Total assets	14,289,065	3,672,447	162,231,880	100,831,775	207,414,992	116,431,001	161,591,275	766,462,435
Liabilities								
I- Due to and borrowings from other credit institutions, SBV	-	-	69,871,203	134,671	413,577	928,493	286,924	71,634,868
II- Due to customers	-	-	199,213,163	120,667,291	234,952,912	6,899,194	8,841	561,741,401
III- Derivatives and other financial liabilities	-	-	54,007	-	-	-	-	54,007
IV- Grants and entrusted funds received	-	-	-	-	-	-	-	-
V- Valuable papers issued	-	-	5,094,501	203,147	18,818,691	10,827,559	1,809,625	36,753,523
VI- Other liabilities	-	-	5,569,840	3,738,361	7,193,506	263,294	3,791	16,768,792
Total liabilities	-	-	279,802,714	124,743,470	261,378,686	18,918,540	2,109,181	688,952,591
Net liquidity gap	14,289,065	3,672,447	(117,570,834)	(23,911,695)	(53,963,694)	97,512,461	159,482,094	79,509,844

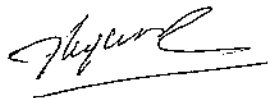
23. Carrying amount and fair value of financial assets and financial liabilities

As at 31 Dec 2024	Trading	Held to maturity	Loans and receivables	Available for sale	Other assets and liabilities at amortized cost	Total	Fair value (*)
Cash, gold and precious stones	-	-	-	-	7,948,136	7,948,136	7,948,136
Balances with central banks	-	-	-	-	15,773,101	15,773,101	15,773,101
Due from and loans to other credit institutions	-	-	11,692,044	-	80,560,581	92,252,625	(*)
Trading securities	-	-	-	-	-	-	(*)
Derivatives and financial assets	-	-	-	-	-	-	(*)
Loans and finance leases to customers	-	-	518,699,691	-	-	518,699,691	(*)
Purchased debts	-	-	-	-	-	-	(*)
Available-for-sale securities	-	-	-	23,532,890	-	23,532,890	(*)
Held-to-maturity securities	-	62,105,338	-	-	-	62,105,338	(*)
Other long-term investments	-	-	-	82,204	-	82,204	(*)
Other assets	-	-	-	-	8,825,271	8,825,271	(*)
Total assets	-	62,105,338	530,391,735	23,615,094	113,107,089	729,219,255	
Borrowings from the SBV	-	-	-	-	54,255	54,255	(*)
Due to and borrowings from other credit institutions	-	-	-	-	71,580,613	71,580,613	(*)
Due to customers	-	-	-	-	561,741,401	561,741,401	(*)
Derivatives and other financial liabilities	54,007	-	-	-	-	54,007	(*)
Grants, entrusted funds and loans exposed to risks	-	-	-	-	-	-	(*)
Valuable papers issued	-	-	-	-	36,753,523	36,753,523	(*)
Other liabilities	-	-	-	-	11,475,120	11,475,120	(*)
Total liabilities	54,007	-	-	-	681,604,911	681,658,918	(*)

(*) Because the Vietnamese Accounting Standards and Accounting System do not have specific guidance on the fair value determination, the fair value of these items cannot be determined.

The separate financial statements were approved by the Board of Management on Jan 24 2025

Prepared by



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