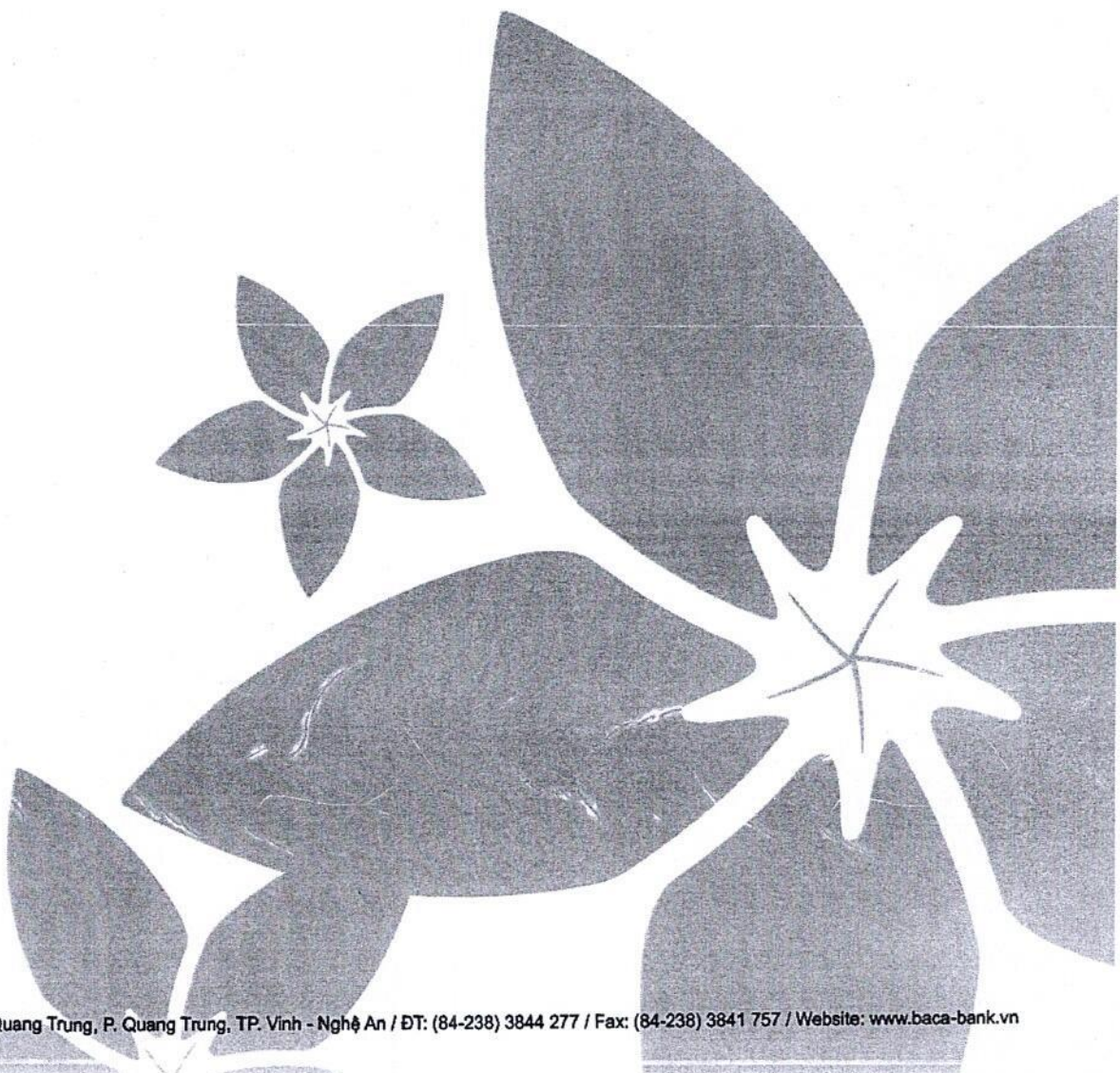


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Bac A Commercial Joint Stock Bank

Form: B02a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2024

| | Notes | 31 Dec 2024 million dong | 31 Dec 2023 million dong |
|---|-------|-----------------------------|-----------------------------|
| ASSETS | | | |
| Cash and cash equivalents on hand | 3 | 566,596 | 616,570 |
| Balances with the State Bank of Vietnam ("the SBV") | 4 | 798,225 | 887,264 |
| Placements with and loans to other banks | 5 | 16,023,622 | 15,362,500 |
| Placements with other banks | 5.1 | 12,454,527 | 13,602,238 |
| Loans and advances to other banks | | 3,569,095 | 1,760,262 |
| Provision for loans to other banks | | | |
| Trading securities | 6 | 24,599,926 | 20,992,851 |
| Trading securities | | 24,599,926 | 20,992,851 |
| Provision for trading securities | | | |
| Derivatives and other financial assets | 7 | 184,066 | |
| Loans and advances to customers | | 108,228,371 | 98,654,289 |
| Loans and advances to customers | 8 | 109,552,804 | 99,853,975 |
| Provision for loans and advances to customers | 9 | (1,324,433) | (1,199,686) |
| Investment securities | 10 | 9,380,559 | 10,548,824 |
| Available-for-sale securities | | 9,400,555 | 10,570,319 |
| Held-to-maturity securities | | | |
| Provision for investment securities | | (19,996) | (21,495) |
| Long-term investments | 11 | 146,156 | 142,530 |
| Investments in subsidiary | | | |
| Investments in joint venture | | | |
| Investments in associate | | | |
| Other long-term investments | | 168,105 | 162,845 |
| Provision for long-term investments | | (21,949) | (20,315) |
| Fixed assets | | 1,058,591 | 1,052,987 |
| Tangible fixed assets | | 171,659 | 176,559 |
| Cost | | 518,530 | 505,197 |
| Accumulated depreciation | | (346,871) | (328,638) |
| Financial leases | | | |
| Cost | | | |
| Accumulated depreciation | | | |
| Intangible fixed assets | | 886,932 | 876,428 |
| Cost | | 1,012,665 | 987,113 |
| Accumulated amortization | | (125,733) | (110,685) |
| Investment properties | | 3,683 | 3,683 |
| Cost | | 3,683 | 3,683 |
| Accumulated depreciation | | | |
| Other assets | 12 | 4,496,898 | 3,981,573 |
| Receivables | 12.1 | 299,819 | 292,705 |
| Interest and fee receivables | | 4,125,759 | 3,625,739 |
| Deferred tax assets | | | |
| Other assets | 12.2 | 71,320 | 63,129 |
| In which: Goodwill | | | |
| Provision for other assets | | | |
| TOTAL ASSETS | | 165,486,693 | 152,243,071 |

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

Bac A Commercial Joint Stock Bank

Form: B02a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) as at 31 December 2024

| | <i>Notes</i> | <i>31 Dec 2024 million dong</i> | <i>31 Dec 2023 million dong</i> |
|---|--------------|-------------------------------------|-------------------------------------|
| LIABILITIES | | | |
| Borrowings from the Government and the SBV | 13 | 7,504 | 24,116 |
| Deposits and borrowings from the Government and the SBV | | 7,504 | 24,116 |
| Government bonds sold and bought back with the State Treasury | | | |
| Deposits and borrowings from other banks | 14 | 11,881,039 | 11,158,753 |
| Deposits from other banks | 14.1 | 11,776,283 | 10,790,439 |
| Borrowings from other banks | 14.2 | 104,756 | 368,314 |
| Customer deposits and other amounts due to customers | 15 | 122,549,687 | 118,476,923 |
| Derivatives and other financial liabilities | 7 | | 97,173 |
| Fund received, trusted funds and other borrowed funds | | 25,652 | 9,807 |
| Valuable papers issued | 16 | 16,020,800 | 7,062,350 |
| Other liabilities | | 3,219,561 | 4,545,690 |
| Interest and fee payables | | 2,456,206 | 4,121,944 |
| Deferred tax liabilities | | | |
| Other payables | 17 | 763,355 | 423,746 |
| Provision for off-balance sheet commitments | | | |
| TOTAL LIABILITIES | | 153,704,243 | 141,374,812 |
| OWNERS' EQUITY | | | |
| Capital and Reserves | 19 | 11,782,450 | 10,868,259 |
| <i>Capital</i> | 19.1 | 9,066,625 | 8,441,555 |
| Charter capital | 19.1 | 8,959,336 | 8,334,266 |
| Capital to purchase fixed assets | | | |
| Share premium | 19.1 | 107,289 | 107,289 |
| Treasury shares | | | |
| Preference shares | | | |
| Others | | | |
| <i>Reserves</i> | 19.1 | 1,045,470 | 918,864 |
| Foreign currency translation reserve | | | |
| Asset revaluation reserve | | | |
| Retained earnings | 19.1 | 1,670,355 | 1,507,840 |
| Non-controlling shareholders' interest | | | |
| TOTAL OWNERS' EQUITY | 19.1 | 11,782,450 | 10,868,259 |
| TOTAL LIABILITIES AND OWNERS' EQUITY | | 165,486,693 | 152,243,071 |

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2024**OFF-STATEMENT OF FINANCIAL POSITION ITEMS**

| | <i>Notes</i> | <i>31 Dec 2024 million dong</i> | <i>31 Dec 2023 million dong</i> |
|--|--------------|-------------------------------------|-------------------------------------|
| Credit guarantees | 29 | 1,188,176 | 1,032,429 |
| Commitment on the foreign exchange transactions | 29 | 96,172,077 | 71,861,468 |
| Commitment on the purchase of foreign currency | | 16,809,800 | 10,336,200 |
| Commitment on the sale of foreign currency | | 6,759,800 | 6,858,391 |
| Commitment on the currency swap transactions | | 72,602,477 | 54,666,877 |
| Commitments to conduct future transactions | | | |
| Irrevocable Loan Commitment | 29 | 1,330,645 | 115,636 |
| Commitments in L/C operations | 29 | | |
| Other guarantees | 29 | 1,221,016 | 479,721 |
| Other commitments | 29 | | |
| Uncollected interest and fee receivables | 30 | 692,361 | 562,610 |
| Bad debts written-off | 31 | 2,488,783 | 2,410,927 |
| Other assets and documents | | | |
| | | 103,093,058 | 76,462,791 |

Prepared by

Verified by

Approved by

lien
Doan Thi Trang Lien
Accountant

Nguyen
Hoang Cuong Dung
Director of Finance

[Signature]
[Signature]
Deputy General Director

Nghe An, Vietnam, ... 20th January, 2025

PHÓ TỔNG GIÁM ĐỐC
Lê Ngọc Hồng Nhật

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

Bac A Commercial Joint Stock Bank

Form: B03a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF INCOME for Quarter IV ended 31 December 2024

| | Notes | For the Quarter ended | | For the Period ended | |
|--|-------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | 31 Dec 2024 million dong | 31 Dec 2023 million dong | 31 Dec 2024 million dong | 31 Dec 2023 million dong |
| Interest and similar income | 20 | 3,015,042 | 3,624,713 | 11,812,113 | 13,384,284 |
| Interest and similar expenses | 21 | (2,175,981) | (2,880,825) | (8,490,903) | (10,995,013) |
| Net interest and similar income | | 839,061 | 743,888 | 3,321,210 | 2,389,271 |
| Fee and commission income | 22 | 38,689 | 39,014 | 150,014 | 137,774 |
| Fee and commission expenses | 22 | (12,927) | (10,514) | (44,433) | (32,922) |
| Net fee and commission income | 22 | 25,762 | 28,500 | 105,581 | 104,852 |
| Net gain/(loss) from foreign currency trading | 23 | 12,874 | 22,730 | (68,252) | 115,346 |
| Net gain/(loss) from trading securities | 24 | | | | |
| Net gain/(loss) from investment securities | 24 | 197,600 | 254,637 | 283,676 | 319,652 |
| Other operating income | | 7,858 | 76,201 | 27,292 | 99,206 |
| Other operating expenses | | (17,128) | (154) | (21,182) | (9,653) |
| Net gain/(loss) from other operating activities | 25 | (9,270) | 76,047 | 6,110 | 89,553 |
| Dividend income | 26 | 12,638 | 10,865 | 12,638 | 27,639 |
| TOTAL OPERATING INCOME | | 1,078,665 | 1,136,667 | 3,660,963 | 3,046,313 |
| Employee expenses | 27 | (376,850) | (324,471) | (1,403,176) | (1,099,871) |
| Depreciation and amortization charges | 27 | (13,042) | (12,834) | (50,998) | (46,447) |
| Other operating expenses | 27 | (253,155) | (189,155) | (795,098) | (686,593) |
| TOTAL OPERATING EXPENSES | | (643,047) | (526,460) | (2,249,272) | (1,832,911) |
| Profit from operating activities before provision for credit losses | | 435,618 | 610,207 | 1,411,691 | 1,213,402 |
| Provision for credit losses | | (43,370) | (103,154) | (274,851) | (195,712) |
| Reversal of provision for credit losses | | 54,790 | 2,586 | 123,438 | 43,144 |
| Total income before Income tax | | 447,038 | 509,639 | 1,260,278 | 1,060,834 |

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements

Bac A Commercial Joint Stock Bank

Form: B03a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF INCOME (continued)
for Quarter IV ended 31 December 2024

| | Notes | For the Quarter ended | | For the Period ended | |
|-------------------------------------|-------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
| | | 31 Dec 2024 million dong | 31 Dec 2023 million dong | 31 Dec 2024 million dong | 31 Dec 2023 million dong |
| Current corporate income tax | 18 | (86,375) | (99,412) | (249,023) | (206,385) |
| Deferred corporate income tax | | | | | (82) |
| Corporate income tax ("CIT") | | (86,375) | (99,412) | (249,023) | (206,467) |
| NET PROFIT FOR THE PERIOD | | 360,663 | 410,227 | 1,011,255 | 854,367 |

Prepared by

Verified by

Approved by

lien

Ngoc



Doan Thi Trang Lien

Hoang Quang Dmy

Deputy General Director

Accountant

Director of Finance

PHÓ TỔNG GIÁM ĐỐC

Lê Ngọc Hồng Nhật

Nghe An, Vietnam, ...^{20th}... January, 2025

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements

Bac A Commercial Joint Stock Bank

Form: B04a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS for Quarter IV ended 31 December 2024

| | Notes | For the Period ended | |
|--|-------|-----------------------------|-----------------------------|
| | | 31 Dec 2024 million dong | 31 Dec 2023 million dong |
| OPERATING ACTIVITIES | | | |
| Interest and similar income receipts | | 9,370,662 | 11,539,198 |
| Interest and similar expense payments | | (10,134,901) | (9,497,433) |
| Fees and commission income proceeds | | 105,581 | 104,852 |
| Net receipts from foreign currencies and securities trading | | 2,088,030 | 1,636,782 |
| Other operating income proceeds | | (13,883) | (3,470) |
| Proceeds from bad debts written-off | | 15,029 | 92,723 |
| Payments to employees and for other operating activities | | (1,998,464) | (1,933,782) |
| Corporate income tax paid during the period | 18 | (262,060) | (170,915) |
| Net cash flows from operating activities before changes in operating assets and working capital | | (830,006) | 1,767,955 |
| Changes in operating assets | | | |
| (Increase)/decrease in due from banks | | (441,259) | (902,684) |
| (Increase)/decrease in trading and investment securities | | (2,037,801) | (13,718,244) |
| (Increase)/decrease in derivatives and other financial assets | | (184,066) | 103,023 |
| (Increase)/decrease in loans and advances to customers | | (9,698,829) | (5,733,375) |
| Decrease in provision to write off and compensate for loan losses and devaluation of investment securities & long-term investments | | (26,531) | (6,133) |
| (Increase)/decrease in other assets | | 53,524 | 261,126 |
| Changes in operating liabilities | | | |
| Increase/(decrease) in borrowings from the Government and the SBV | | (16,612) | (28,468) |
| Increase/(decrease) in due to banks | | 722,286 | 68,614 |
| Increase/(decrease) in due to customers | | 4,072,764 | 21,572,322 |
| Increase/(decrease) in valuable papers issued (except for long-term valuable papers issued disclosed in financing activities) | | 5,700,000 | (2,100,531) |
| Increase/(decrease) in other borrowed funds | | 15,845 | 6,687 |
| Increase/(decrease) in derivatives and other financial liabilities | | (97,173) | 97,173 |
| Increase/(decrease) in other liabilities | | 55,769 | (31,657) |
| Payments from reserves | | | |
| Net cash flows from operating activities | | (2,712,089) | 1,355,808 |
| INVESTING ACTIVITIES | | | |
| Purchase of fixed assets | | (51,776) | (338,148) |
| Proceeds from sale of fixed assets | | 137 | 300 |
| Disbursements for sale of fixed assets | | | |
| Purchase of investment properties | | | |
| Proceeds from sale of investment properties | | | |
| Disbursements for sale of investment properties | | | |
| Investments in joint ventures, associates and others | | (5,260) | |
| Proceeds from sales of investment in joint ventures, associates and others | | | |
| Dividend receipts from long-term investments in the period | | 12,638 | 27,639 |
| Net cash flows from/(used in) investing activities | | (44,261) | (310,209) |

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for Quarter IV ended 31 December 2024

| Notes | For the Period ended | |
|---|-----------------------------|-----------------------------|
| | 31 Dec 2024 million dong | 31 Dec 2023 million dong |
| FINANCING ACTIVITIES | | |
| Increase in charter capital | 625,070 | 300,294 |
| Proceeds from subordinated debts to increase tier 2 capital | 3,500,000 | 1,325,000 |
| Repayment of subordinated debts to reduce tier 2 capital | (263,290) | |
| Dividend payment to shareholders | (625,070) | |
| Purchase of treasury shares | | |
| Proceeds from sale of treasury shares | | |
| Net cash flows from financing activities | 3,236,710 | 1,625,294 |
| Net increase/(decrease) in cash and cash equivalents during the period | 480,360 | 2,670,893 |
| Cash and cash equivalents at the beginning of the period | 15,206,324 | 12,535,431 |
| Foreign exchange difference | | |
| Cash and cash equivalents at the end of the period | 15,686,684 | 15,206,324 |

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Approved by

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Ngoc



Doan Thi Trang Lien

Hoang Quynh Oanh

[Signature]

Accountant

Director of Finance

Deputy General Director

Nghe An, Vietnam, *20th* January, 2025

PHÓ TỔNG GIÁM ĐỐC
Lê Ngọc Hồng Nhật

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS
as at and for Quarter IV ended 31 December 2024

1. CORPORATE INFORMATION

Bac A Commercial Joint Stock Bank (herein referred to as “the Bank” or “Bac A” or “Bac A Bank”) is a joint stock commercial bank registered in the Socialist Republic of Vietnam.

Establishment and Operations

The Bank was initially established on 01 September 1994 under Business License No. 0052-NH/GP issued by the State Bank of Vietnam for operating duration of 99 years.

The Bank’s principal activities are to provide banking services including mobilizing and receiving short-term, medium-term and long-term deposits from organizations as well as individuals; making short-term, medium-term and long-term loans and advances to both organizations and individuals based on the nature and capability of the Bank’s sources of capital; foreign exchange transactions; international trade finance services; discount of commercial papers, bonds and other valuable papers; and other banking services as approved by the State Bank of Vietnam.

Chartered Capital

The chartered capital of the Bank as at 31 December 2024 is VND 8,959,336,420,000 (Eight thousand nine hundred and fifty-nine billion, three hundred and thirty-six million, four hundred and twenty thousand dong).

Board of directors

Members of the Board of Directors as at the date of this report are as follows:

| <i>Name</i> | <i>Title</i> | <i>Date of Appointment/ Resignation</i> |
|----------------------|---------------------|--|
| Ms. Tran Thi Thoang | Chairwoman | Reappointed on 27 April 2024 |
| Ms. Thai Huong | Vice-chairwoman | Reappointed on 27 April 2024 |
| Mr. Vo Van Quang | Member | Reappointed on 27 April 2024 |
| Mr. Dang Thai Nguyen | Member | Reappointed on 27 April 2024 |
| Ms. Hoang Hong Hanh | Independent member | Appointed on 27 April 2024 |

Board of Management

Members of the Board of Management as at the date of this report are as follows:

| <i>Name</i> | <i>Title</i> | <i>Date of Appointment/ Resignation</i> |
|------------------------|----------------------------------|--|
| Ms. Thai Huong | General Director | Appointed on 01/09/1994 |
| Mr. Dang Trung Dung | Standing Deputy General Director | Appointed on 28/07/2016 |
| Mr. Chu Nguyen Binh | Deputy General Director | Appointed on 01/03/2008 |
| Mr. Truong Vinh Loi | Deputy General Director | Appointed on 30/05/2008 |
| Mr. Vo Van Quang | Deputy General Director | Appointed on 01/07/2009 |
| Mr. Nguyen Trong Trung | Deputy General Director | Appointed on 15/05/2003 |
| Mr. Nguyen Viet Hanh | Deputy General Director | Appointed on 05/03/2015 |
| Mr. Le Ngoc Hong Nhat | Deputy General Director | Appointed on 01/05/2016 |
| Mr. Nguyen Ai Dan | Deputy General Director | Appointed on 01/06/2017 |
| Ms. Thai Thi Nga | Deputy General Director | Appointed on 03/10/2023 |

Location and operation network

The Bank’s Head Office is located at 117, Quang Trung Street, Vinh City, Nghe An Province. As at 31 December 2024, the Bank has one (01) Head Office and fifty nine (59) active branches nationwide.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024**1. CORPORATE INFORMATION (continued)*****Subsidiaries***

As at 31 December 2024, the Bank has two (02) subsidiaries wholly owned by the Bank, which are:

- ▶ Bac A Debt Management and Asset Development one sole member Company Limited, specializing in debt and asset management. The Company was established under Decision 939/QĐ – HDQT of the Board of Directors of Bac A Bank dated 12 December 2009 and Decision 330/QĐ-NHNN issued by the Governor of the State Bank of Vietnam on 11 February 2010.
- ▶ Bac A Money Transfer Company Limited was established under Business Registration No. 0107983828 dated 05 September 2017 issued by the Hanoi Authority of Planning and Investment. Its main activities are providing foreign money transfer services and payment services.

Employees

As at 31 December 2024, the total number of employees of the Bank (including Subsidiaries) is 3,886 persons (the total number as at 31 December 2023 is 3,680 persons).

2. SIGNIFICANT ACCOUNTING POLICIES**2.1 *Statement of compliance***

The Bank affirms that the interim consolidated financial statements of the Bank have been prepared in accordance with Vietnamese Accounting Standards, Accounting System for Credit Institutions and statutory requirement relevant to preparation and presentation of consolidated financial statements.

2.2 *Basis of presentation*

The interim consolidated financial statements of the Bank are prepared in accordance with Accounting System for Credit Institutions required under Decision 479/2004/QĐ-NHNN issued on 29 April 2004 by the Governor of the State Bank of Vietnam which was enacted from 1 January 2005 and other legal documents (*decisions/circulars*) on amendment and supplementation of Decision 479/2004/QĐ-NHNN, Decision 16/2007/QĐ-NHNN issued on 18 April 2007, Circular No. 49/2014/TT-NHNN issued on 31 December 2014, Circular No. 22/2017/TT-NHNN issued on 29 December 2017 and Circular No. 27/2021/TT-NHNN issued on 31 December 2021 by the Governor of the State Bank of Vietnam, Vietnamese Accounting Standards and related regulations issued by the Ministry of Finance as per:

- ▶ Decision 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- ▶ Decision 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- ▶ Decision 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- ▶ Decision 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- ▶ Decision 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****2.2 Basis of presentation (continued)**

The accompanying interim consolidated financial statements have been prepared using accounting principles, procedures and reporting practices generally accepted in Vietnam. Accordingly, the accompanying interim consolidated statement of financial position, interim consolidated statement of income, interim consolidated statement of cash flows and notes to the interim consolidated financial statements and their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present its financial position, financial performance and its cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 Fiscal year and accounting currency

The Bank's fiscal year starts on 01 January and ends on 31 December.

These interim consolidated financial statements are prepared for the 4th Quarter of 2024, which starts on 01 October 2024 and ends on 31 December 2024.

Monetary unit used in accounting is Vietnamese Dong (VND). For the purpose of preparing the consolidated financial statements, all amounts are rounded to the nearest million and presented in VND million (million dong).

2.4 Accounting estimates and assumptions

The preparation of the Consolidated financial statements requires the Bank to make estimates and assumptions which affect the reported figures of assets and liabilities as well as the disclosure of contingent liabilities. These estimates and assumptions also affect income, expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty. Therefore, actual results may lead to the adjustments of such provisions in the future.

2.5 Basis of consolidation

The interim consolidated financial statements comprise of the financial statements of the Bank and its subsidiaries as at and for the accounting period (as disclosed in Note 2.3). The financial statements of the subsidiaries are prepared for the same accounting period and in accordance with prevailing accounting policies and regulations.

All intra-group balances, transactions, income and expense and unrealized profits and losses resulting from intra-group transactions are eliminated in full.

The financial statements of subsidiaries (as disclosed in Note 1) and those of the Bank are fully consolidated from the date when control is transferred to the Bank. Control is achieved when the Bank has the power to govern directly or indirectly the financial and operating policies of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the year are included in the interim consolidated statement of income from the date of acquisition or up to the date of disposal, as appropriate.

2.6 Cash and cash equivalents

Cash and cash equivalents consist of cash, gold and gemstones, balances with the State Bank of Vietnam, government bills and other short-term valuable papers eligible for SBV discount, current account and deposits with other credit institutions with maturity of less than 90 days from the date of granting and short-term investments with original terms not exceeding 90 days, with high liquidity and can be easily converted into defined amount of cash and do not have much risk in conversion into cash.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 Deposit and loans to other credit institutions

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

The credit risk classification for deposits with and loans to other credit institutions is made in accordance with Circular No. 31/2024/TT-NHNN dated 30 June 2024 provides for the classification of assets in operations of commercial banks, non-bank credit institutions and foreign bank branches ("Circular 31/2024").

Provisions for deposits with and loans to other credit institutions is made in accordance with Decree No. 86/2024/ND-CP dated 11 July 2024 provides 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 ("Decree 86/2024"). Accordingly, the Bank makes specific provisions for deposits (excluding demand deposits) and loans to other credit institutions.

According to Decree 86/2024, the Bank is not required to make a general provision for deposits with and loans to other credit institutions.

2.8 Loans and advances to customers

Loans and advances to customers are disclosed at the principal amounts outstanding at the end of the accounting period.

Loans classification

According to Circular No. 31/2024/TT-NHNN by the State Bank of Vietnam dated 30 June 2024, taking effect from 01 July 2024, replacing Circular No. 11/2021/TT-NHNN, loans to customers are classified as follows: Current, Special mentioned, Sub-standard, Doubtful and Loss based on overdue status and other qualitative factors of the loans.

The Bank also applies the regulations on loan restructuring and retention of the latest debt classification for the loans that meet the requirements of Circular No. 01/2020-TT-NHNN ("Circular 01/2020") dated 13 March 2020, Circular No. 03/2021/TT-NHNN ("Circular 03/2021") dated 2 April 2021 amending, supplementing some articles of Circular 01/2020, Circular No. 14/2021/TT-NHNN ("Circular 14/2021") dated 7 September 2021 amending, supplementing some articles of Circular 01/2020 providing guidance on loan restructuring, exemption or reduction of interest and fees and retention of loan classification group to assist the borrowers affected by Covid-19 pandemic, Circular No. 02/2023/TT-NHNN ("Circular 02/2023") providing instructions on debt rescheduling and retention of debt category to assist borrowers in difficulties issued by Sate Bank of Viet Nam dated 23 April 2023.

Provision for credit losses

Since 11 July 2024, the Bank makes provisions for credit losses according to Decree No. 86/2024/ND-CP. Risk provisions is calculated monthly and recorded as the following month's provision expense. According to Decree 86/2024, once a month, within the first 07 (seven) days of the month, the Bank shall make provision for risks according to the results of classification of debts by the end of the last day of the preceding month. Provisions for credit risks include specific provisions and general provisions.

The provisions are recorded in the interim consolidated statement of income as an expense and will be used to write off any credit losses incurred.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans and advances to customers (continued)

Specific provision: Specific provision is calculated based on loan balance of each borrower less value of collateral assets discounted at predetermined percentage for each kind of collateral assets. Specific provision rate applied to each group are as follows:

| Group | Name | Specific provision rate |
|-------|-------------------|-------------------------|
| 1 | Current | 0% |
| 2 | Special Mentioned | 5% |
| 3 | Substandard | 20% |
| 4 | Doubtful | 50% |
| 5 | Loss | 100% |

In addition, The Bank has complied with regulations of specific provision for customers whose debts are rescheduled, exempt or reduce interest in accordance with Circular 03/2021, customers whose debts are rescheduled, exempt or reduce interest in accordance with Circular 02/2023.

General provision: In accordance with these legal documents (decisions/circulars), the Bank is required to fully make and maintain a general provision at 0.75% of total loans and advances to customers, which are classified from groups 1 to 4.

Write off

According to these legal documents (decisions/circulars), at the discretion of the Bank's Bad Debt Resolution Committee, the Bank can write off the loans that are classified in Group 5 and of which the borrowers are bankrupted or liquidated (for corporate) or are deceased or missing (for individuals).

2.9 Trading securities

Trading securities are debt securities, equity securities and other securities purchased for trading purposes. Trading securities are initially recognized at cost.

Listed trading debt securities are recognized at cost less allowance for impairment of securities determined on the rate of return listed on the Hanoi Stock Exchange at the statement of financial position date.

Corporate bonds that are not listed on the stock market or registered for trading in the transaction market of unlisted public companies will be made a provision for risks in accordance with Decree No. 86/2024/ND-CP.

Equity securities are recognized at cost in the subsequent holding period. Periodically, equity securities are permitted to establish a provision for diminution in value when their carrying amount is higher than the market value. In case the market value of securities cannot be determined, an allowance will not be made for securities. Provision for devaluation is recognized in the income statement in the item "Net gain/(loss) from trading securities".

Gains or losses by cash from sales of trading securities are recognized in the income statement. Trading securities are stopped recognizing when any entitlement to receive cash flows from these securities has expired or the Bank has transferred substantially all risks and rewards of ownership.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 Investment securities****2.10.1 Available-for-sale securities**

Available-for-sale investment securities include debt securities and equity securities held by the Bank for investment and available-for-sale purposes that are not qualified to be classified as trading securities but can be sold at any time whenever it is considered beneficial.

Equity securities recorded as available-for-sale investment securities are securities listed on equity securities markets, recorded at cost on the transaction date and always reflected at cost during the next holding period.

Debt securities are recognized at par value on the transaction date. The accrued interest of a security before buying (for debt security with interest payment later) or interest received in advance waiting for allocation (for debt securities with interest payment in advance) is reflected in a separate account. The discount/premium is the negative/positive difference between the original price and the value of the amount including par value plus (+) accrued interest before the purchase (if any) or minus (-) the interest received in advance, awaiting allocation (if applicable) is also reflected on a separate account.

During the next holding period, these debt securities are recognized at par value and discount/premium (if any) is amortized to the consolidated statement of income on a straight-line basis over the period estimated residual stock. Interest accrued before buying is reduced to the value of the accrued interest account, and interest accrued after the purchase date is recognized as the Bank's income on the accrual basis. Interest received in advance is amortized to the securities investment interest income on a straight-line basis over the term of securities investment.

Available-for-sale securities are subject to devaluation review periodically. Available-for-sale securities are subject to devaluation when their carrying amount is higher than the market price. In case the market value of securities cannot be determined, an allowance will not be made for securities. Provision for devaluation is recognized in the consolidated statement of income in the item "*Net gain/(loss) from investment securities*".

For corporate bonds unlisted on the stock market or unregistered for trading on the transaction market of unlisted public enterprises, the Bank shall make provisions for credit risks in accordance with Decree No. 86/2024/ND-CP.

2.10.2 Held-to-maturity securities

Held-to-maturity investment securities is debt securities purchased by the Bank for investment purposes to earn interest and the Bank has the intention and ability to hold these securities to maturity. Held-to-maturity investment securities have determinable value and specific maturity date. In the event that securities are sold out before maturity, these securities will be reclassified to trading securities or available-for-sale securities.

Held-to-maturity investment securities are recognized and measured in the same way as available-for-sale investment securities presented in Note 2.10.1.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Other long-term investments

Other long-term investments represent the Bank's capital investments in other entities where the Bank owns less than 11% of voting rights and the securities of these entities are not listed on the stock market. These investments are initially at cost on the transaction date.

Provision for diminution in the value of investment is made when there is substantial evidence indicating a decline in the value of these investments at the statement of financial position date.

The provision is reversed if the recoverable amount of the investments increases after making provision. It is reversed to the extent that the carrying value of these investments does not exceed the carrying value of this investment assuming that no allowance has been recorded.

Increase or decrease in provision for long-term investments is recognized into the Consolidated Income Statement.

2.12 Fixed assets

Fixed assets are stated at cost less accumulated amortization. The cost of a fixed asset comprises its purchase price plus any directly attributable costs of bringing the asset to working condition for its intended use.

Cost related to additions, improvements and renewals are capitalized while expenditures for maintenance and repairs are charged to the interim consolidated statement of income.

When assets are sold or liquidated, their cost and accumulated depreciation are removed from the interim consolidated statement of financial position and any gains or losses resulting from their disposal are recorded to the interim consolidated statement of income.

2.13 Depreciation and amortization

Depreciation and amortisation of tangible fixed assets and intangible assets is calculated on a straight-line basis over the estimated useful life of the assets, which are as follows:

| | |
|--------------------------|---------------------|
| Buildings and structures | 08 - 38 years |
| Machines and equipment | 03 - 13 years |
| Transportation vehicles | 06 - 11 years |
| Office equipment | 03 - 05 years |
| Land use rights (*) | based on lease term |
| Computer software | 03 - 08 years |

(*): The cost of the land use rights is not amortized if it is granted by the Government of Vietnam and has indefinite term. The cost of definite land use rights with definite term is amortized over the lease term.

2.14 Receivables are classified as credit-risk assets

Receivables classified as credit-risk assets are recorded at cost and classified by the Bank and made provisions for risks in accordance with Decree No. 86/2024/ND-CP.

2.15 Others Receivables

Other receivables that are not classified as credit risk assets are stated at cost and subsequently presented at cost in the following periods.

Other receivables are subject to review for risk provision based on the principal overdue or according to the expected loss that may occur in case of undue debt but the indebted economic institutions go bankrupt, or undergo dissolution procedures, debtors are missing, have fled from business locations, are prosecuted, detained or tried by law enforcement bodies or dead. Provision expense is recognized in item "Expenses for risk provision" in the income statement.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 Others Receivables (continued)

For overdue receivables, the provision rates are as follows:

| <i>Overdue period</i> | <i>Provision rate</i> |
|---|-----------------------|
| From over six (06) months up to less than one (01) year | 30% |
| From one (01) year up to less than two (02) years | 50% |
| From two (02) years up to less than three (03) years | 70% |
| Three (03) years or more | 100% |

2.16 Prepaid expenses and pending expenses

Amortization costs comprise short-term prepayments or long-term prepayments on a consolidated statement of financial position and are amortized over the prepayment period or the time when corresponding economic benefits are generated out from these costs.

2.17 Goodwill

Goodwill arising from a business combination is initially recognized at cost, which is the difference between the cost of the business combination and the buyer's share in the fair value of an asset or liability. Identifiable payments and contingent liabilities recorded. If the cost of the business combination is lower than the fair value of the net assets of the acquire, the difference will be recognized in the consolidated statement of income. Goodwill is determined by cost less accumulated amortization after the initial recognition. Goodwill is amortized on a straight-line basis over its estimated useful lives of ten (10) years or less.

2.18 Repurchase and Resale Contract

Securities sold and committed to repurchase at a certain time in the future are still recognized in the consolidated financial statements. Amounts received under this agreement are recognized as a borrowing on the consolidated statement of financial position and the difference between the selling and buying price is amortized on a straight-line basis and recognized in the consolidated statement of income during the valid period of the contract.

Securities purchased under the same commitment to resell at a certain time in the future. Settlement under this agreement is recognized as a loan on the consolidated statement of financial position and the difference between the sale and purchase price is amortized on a straight-line basis and recognized in the consolidated statement of income during the valid period of the contract.

2.19 Operating lease

Operating lease payments are recognized in the consolidated income statement on a straight-line basis over the term of the lease. Rental commissions received are recognized in the consolidated income statement as an integral part of total rental expenses.

2.20 Borrowings, deposits and valuable papers issued

Debts to the Government and the State Bank are stated at cost.

Deposits with other credit institutions, customers, valuable papers and financing, trust financing, and loans at risk credit institutions are announced and presented at the balance original. At the time of initial recognition, issue costs of bonds are reduced to a decrease in the original balance of the bonds. The Bank shall amortize these expenses into "Interest expenses and similar expenses" using the straight-line method in accordance with the term of valuable papers.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)**2.21 Foreign currency transactions**

According to the Bank's accounting system, all transactions are recorded in original currencies. At the end of the period, assets and liabilities denominated in foreign currencies are converted into VND at the exchange rate as at the date of the consolidated statement of financial position. The Bank's foreign currency income and expenses are converted into VND at the exchange rate on the transaction date. Foreign exchange differences due to revaluation of assets and liabilities denominated in foreign currencies into VND are recognized in the consolidated income statement.

2.22 Payables and accruals

Payables and accruals are recognized for the future payables related to goods and services received regardless of whether the Bank has received the supplier's invoice.

2.23 Shareholders' equity*Ordinary shares*

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares are recognized as a deduction from share premium in equity.

Shares premium

The difference between the issue price and par value of the security is recognized in share premium in equity.

Funds of credit institution

Funds are used for specific purposes and are extracted from the Bank's profit after tax based on the prescribed ratios and the Resolution of the General Meeting of Shareholders:

- ▶ Reserve fund for supplementing charter capital: 5% of profit after tax, not exceeding the Bank's charter capital;
- ▶ Financial reserve fund: 10% of profit after tax;
- ▶ Other funds: deducted in accordance with current regulations and resolutions of the General Meeting of Shareholders.

2.24 Recognition of revenues and expenses**2.24.1 Interest income and interest expense**

Interest income and interest expense are recognized in the consolidated income statement on an accrual basis. Accrued interest income arising from loans classified from groups 2 to 5 according to Circular 31/2024 and loans with repayment term rescheduled under Circular 01/2020 and Circular 02/2023 will not be recognized in the statement own business performance. Accrued interest on these debts is recorded on off-balance sheet account and recognized in the consolidated statement of income when the Bank actually collects it.

2.24.2 Banking service fees

Banking service fees are recognized when the service is rendered.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****2.24 Recognition of revenues and expenses (continued)****2.24.3 Revenue from investment activities**

Revenue from securities trading is determined based on the difference between the selling price and the cost of the securities.

Cash dividends are recognized in the consolidated statement of income when the Bank's right to receive cash dividends is established.

Dividends received in the form of shares, bonus shares and stock options for existing shareholders, shares divided from undistributed earnings are not recognized as an increase in the value of the investment and are not recognized as an income of the Bank that only updates the number of shares.

2.24.4 Revenue from other services

When the contract results can be determined with certainty, revenue will be recognized based on the level of work completion. If the outcome of the contract cannot be determined with certainty, revenue is recognized only to the extent that the expenses recognized are recoverable.

2.24.5 Accounting for receivable but unrecognized revenue

According to Circular No. 16/2018/TT-BTC dated 07 February 2018 of the Ministry of Finance guiding a number of articles on the financial regime for credit institutions and foreign bank branches, receivable from uncollectible accrued income at the due date are recorded as a reduction in revenue if the income has been accrued in the same accounting period or recorded as an expense if the income has been accrued in the different accounting periods and monitored in off-balance sheet. Upon receipt of these amounts, the Bank will record it as income on the consolidated statement of income.

2.25 Corporate income taxes**2.25.1 Current corporate income tax**

Tax assets and tax liabilities for the current year and previous years are measured at the amount payable to (or recovered from) the tax authorities based on enacted tax rates and tax laws at the date of consolidated statement of financial position.

Current income taxes are recognized in the consolidated income statement except when it relates to items recognized directly to shareholders' equity, in which case the current income tax is also recognized directly to shareholders' equity.

The Bank can only offset current income tax assets and current income tax payables when the Bank has a legal right to offset current income tax assets with current income tax payables on a net basis and intend to do so.

The Bank's reports on tax return are subject to inspection by the tax authorities. Tax amounts presented in the consolidated financial statements are subject to change upon the final decision by the tax authorities.

2.25.2 Deferred income tax

Deferred income tax is identified as temporary differences between payable assets and liabilities subject to income tax and their book value presented on consolidated financial statements as at statement of financial position date.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****2.25 Corporate income taxes (continued)****2.25.2 Deferred income tax (continued)**

Deferred income tax liabilities are recognized for all taxable temporary differences except where the income tax arises in relation to an item that is credited to equity, in which case the deferred income tax is also recorded directly into equity.

Deferred tax assets are recognized for all deductible temporary differences, the amount transferred to the following years of unused tax losses and unused tax incentives, where certain in the future there will be taxable profits to use these unused deductible differences, tax losses and tax incentives. Previously unrecognized deferred tax assets are reconsidered at the statement of financial position date and recognized when there is certain future taxable profit available for the use of the unrecognized deferred income tax assets. Deferred income tax assets and deferred income tax liabilities are determined at the tax rates expected to apply for the fiscal year when the asset is recovered or the liability is settled, based on tax rates and Tax law takes effect on the statement of financial position date.

2.26 Provision for off-balance sheet commitments

According to SBV's relevant legal documents, credit institutions must classify and make provision for guarantees, payment acceptances, and irrevocable loan commitments with specific effective date (generally called *off-balance sheet commitments*) into groups as regulated, namely *Current, Special Mentioned, Substandard, Doubtful* and *Loss* based on the overdue status and other qualitative factors.

Provision for off-balance sheet commitments is calculated similarly to the provision for loans and advances to customers as described in Note 2.8.

2.27 Currency derivative contracts

The Bank enters into forward and swap contracts to enable customers to transfer, adjust or reduce their foreign exchange or other market risks, and at the same time serve the Bank's business purposes.

Foreign currency forward contracts

Forward contracts are commitments to buy or sell a certain currency at a specified future date at a predetermined rate and to be paid for in money. Forward contracts are recognized at nominal value on the transaction date and are periodically revalued, the difference from revaluation is recognized in the consolidated income statement.

Swap contracts

Swap contracts are commitments to settle in cash at a future date based on the difference between the predetermined rates calculated on the notional principal amount or commitments to pay the accrued interest. A floating rate or a fixed rate charged on the same nominal amount over the same period of time.

Currency swap contracts are revalued on a periodic basis, the difference from revaluation is recorded in the consolidated income statement.

Interest rate swap differences are recognized in the consolidated income statement on an accrual basis.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.28 Related parties

Parties are considered to be related parties of the Bank if one party has the ability, directly or indirectly, to control the other party or influence the other party to make financial and operating decisions, or when the Bank and the other party are under common control or common material influence. Related parties can be corporations or individuals, including close family members of any individual considered to be related.

2.29 Offsetting

Financial assets and financial liabilities are offset and the net amount reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset financial assets against financial liabilities or vice-versa, and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

2.30 Restatement of opening balances

Bac A Bank's independent auditors did not propose any audit adjustment to the Bank's consolidated financial statements for the year ended 31 December 2023.

Therefore, Bac A Bank is not required to make any restatement to the opening balances (31 December 2023) of the interim consolidated financial statements for Quarter IV and the period ended 31 December 2024.

3. CASH AND CASH EQUIVALENTS ON HAND

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|------------------------------------|---|---|
| Cash on hand in VND | 522,970 | 573,075 |
| Cash on hand in foreign currencies | 43,626 | 43,495 |
| | 566,596 | 616,570 |

4. BALANCES WITH THE STATE BANK OF VIETNAM ("THE SBV")

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-----------------------------|---|---|
| Current accounts at the SBV | 798,225 | 887,264 |
| | 798,225 | 887,264 |

5. PLACEMENTS WITH AND LOANS TO OTHER BANKS

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|---|---|---|
| Placements with other banks | 12,454,527 | 13,602,238 |
| Loans to other banks | 3,569,095 | 1,760,262 |
| Provision for credit losses of loans to other banks | | |
| | 16,023,622 | 15,362,500 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

5. PLACEMENTS WITH AND LOANS TO OTHER BANKS (continued)

5.1 Placements with other banks

| | <u>31 Dec 2024</u> <i>million dong</i> | <u>31 Dec 2023</u> <i>million dong</i> |
|---|---|---|
| Demand deposits with other banks | 6,328,677 | 7,325,673 |
| In VND | 4,965,505 | 4,934,737 |
| In foreign currencies | 1,363,172 | 2,390,936 |
| Term deposits with other banks | 6,125,850 | 6,276,565 |
| In VND | 6,100,000 | 6,250,000 |
| In foreign currencies | 25,850 | 26,565 |
| | <u>12,454,527</u> | <u>13,602,238</u> |

6. TRADING SECURITIES

| | <u>31 Dec 2024</u> <i>million dong</i> | <u>31 Dec 2023</u> <i>million dong</i> |
|--|---|---|
| Debt securities | 24,599,926 | 20,992,851 |
| Certificate of deposits | 24,599,926 | 20,992,851 |
| Equity securities | | |
| Securities issued by other local credit institutions | | |
| Securities issued by local business entities | | |
| Other trading securities | | |
| Provision for trading securities | | |
| | <u>24,599,926</u> | <u>20,992,851</u> |

7. DERIVATIVES AND OTHER FINANCIAL ASSETS

| | <i>Total value of financial contracts (the exchange rates are based on the effective date of contract) million dong</i> | <i>The book value of financial contracts (the exchange rates are based on the statement of financial position date)</i> | |
|-----------------------------------|---|---|-------------------------------------|
| | | <i>Assets million dong</i> | <i>Liabilities million dong</i> |
| As at 31 Dec 2024 | | | |
| Derivative contracts | 184,066 | 184,066 | |
| Swap currency contracts | 184,066 | 184,066 | |
| Other derivative contracts | | | |
| As at 31 Dec 2023 | | | |
| Derivative contracts | 97,173 | | 97,173 |
| Swap currency contracts | 97,173 | | 97,173 |
| Other derivative contracts | | | |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

8. LOANS AND ADVANCES TO CUSTOMERS

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|--|---|---|
| Loans to local business entities and individuals | 109,552,476 | 99,853,622 |
| Discount of commercial bills and valuable papers | | |
| Trust loans | 240 | 240 |
| Other loans | 88 | 113 |
| | 109,552,804 | 99,853,975 |

Commercial loans include short-term, medium-term and long-term loans, inclusive of syndicated loans that the Bank participated in VND and USD.

8.1 Analysis of loans by quality

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-------------------|---|---|
| Current | 107,804,232 | 98,002,661 |
| Special mentioned | 389,411 | 935,647 |
| Substandard | 194,360 | 170,642 |
| Doubtful | 270,901 | 229,532 |
| Loss | 893,900 | 515,493 |
| | 109,552,804 | 99,853,975 |

8.2 Analysis of loans by original terms

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-------------------|---|---|
| Short-term loans | 51,798,983 | 47,552,306 |
| Medium-term loans | 15,368,916 | 14,446,715 |
| Long-term loans | 42,384,905 | 37,854,954 |
| | 109,552,804 | 99,853,975 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

9. CHANGES IN THE PROVISION FOR CREDIT LOSSES

The breakdown of provision for loan losses as at 31 December 2024 that is disclosed in the interim consolidated statement of financial position is as follows:

| | <i>31 Dec 2024</i> <i>million dong</i> |
|--------------------|---|
| Specific provision | 509,491 |
| General provision | 814,942 |
| | <u>1,324,433</u> |

Changes in the provision for credit losses during the period ended 31 December 2024 are summarized below:

| | <i>Specific provision</i> <i>million dong</i> | <i>General provision</i> <i>million dong</i> | <i>Total</i> <i>million dong</i> |
|---|--|---|-------------------------------------|
| Opening balance | 454,647 | 745,039 | 1,199,686 |
| Provision expense in the period | 184,520 | 90,331 | 274,851 |
| Reversal of provision during the period | (103,010) | (20,428) | (123,438) |
| Bad debts written-off during the period | (26,666) | | (26,666) |
| Closing balance | <u>509,491</u> | <u>814,942</u> | <u>1,324,433</u> |

Changes in the provision for credit losses during the year 2023 are summarized below:

| | <i>Specific provision</i> <i>million dong</i> | <i>General provision</i> <i>million dong</i> | <i>Total</i> <i>million dong</i> |
|---|--|---|-------------------------------------|
| Opening balance | 344,379 | 702,739 | 1,047,118 |
| Provision expense in the period | 123,201 | 72,511 | 195,712 |
| Reversal of provision during the period | (12,933) | (30,211) | (43,144) |
| Bad debts written-off during the period | | | |
| Closing balance | <u>454,647</u> | <u>745,039</u> | <u>1,199,686</u> |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

10. INVESTMENT SECURITIES

| | <u>31 Dec 2024</u> <i>million dong</i> | <u>31 Dec 2023</u> <i>million dong</i> |
|---|---|---|
| Available-for-sale securities | 9,380,559 | 10,548,824 |
| Debt securities | 9,264,055 | 10,433,819 |
| Securities issued by the Government of Vietnam | 3,695,935 | 4,127,430 |
| Securities issued by other local credit institutions | 2,902,018 | 3,440,390 |
| <i>Securities guaranteed by the Government</i> | 2,301,964 | 2,207,065 |
| <i>Securities issued by other local credit institutions</i> | 600,054 | 1,233,325 |
| Securities issued by local business entities | 2,666,102 | 2,865,999 |
| Equity securities | 136,500 | 136,500 |
| Securities issued by other local credit institutions | 136,500 | 136,500 |
| Securities issued by local business entities | | |
| Provision for available-for-sale securities | (19,996) | (21,495) |
| | 9,380,559 | 10,548,824 |

11. OTHER LONG-TERM INVESTMENTS

Details of other long-term investments are as follows:

| | <u>31 Dec 2024</u> <i>million dong</i> | <u>31 Dec 2023</u> <i>million dong</i> |
|-------------------------------------|---|---|
| Investment in subsidiary | | |
| Other long-term investments | 168,105 | 162,845 |
| Provision for long-term investments | (21,949) | (20,315) |
| | 146,156 | 142,530 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

12. OTHER ASSETS

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|------------------------------|---|---|
| Interest and fee receivables | 4,125,759 | 3,625,739 |
| Construction in progress | | |
| Receivables | 299,819 | 292,705 |
| Other assets | 71,320 | 63,129 |
| Deferred tax assets | | |
| | 4,496,898 | 3,981,573 |

12.1 Receivables

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-------------------------------|---|---|
| Internal receivables | 69,366 | 139,354 |
| Receivables from employees | 28,987 | 13,389 |
| Other internal receivables | 40,379 | 125,965 |
| External receivables | 230,453 | 153,351 |
| Receivables from customers | 168,009 | 122,819 |
| Margin deposits | 59,447 | 27,460 |
| Receivables from State Budget | 2,997 | 3,072 |
| Construction in progress | | |
| | 299,819 | 292,705 |

12.2 Other assets

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-------------------|---|---|
| Trust assets | | |
| Prepaid expenses | 41,205 | 31,307 |
| Foreclosed assets | | |
| Others | 30,115 | 31,822 |
| | 71,320 | 63,129 |

13. BORROWING FROM GOVERNMENT AND THE SBV

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|--|---|---|
| Borrowings from the SBV | 7,504 | 24,116 |
| Borrowings on the basis of credit file | 7,504 | 24,116 |
| Discount loans | | |
| Borrowings against mortgage of valuable papers | | |
| Deposits from the State Treasury | | |
| Government bonds sold and bought back with the State Treasury | | |
| Other borrowings | | |
| | 7,504 | 24,116 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

14. DEPOSITS AND BORROWINGS FROM OTHER BANKS

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-----------------------------|---|---|
| Deposits from other banks | 11,776,283 | 10,790,439 |
| Borrowings from other banks | 104,756 | 368,314 |
| | 11,881,039 | 11,158,753 |

14.1 Deposits from other banks

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|------------------------|---|---|
| Demand deposits | 4,901,283 | 4,898,939 |
| In VND | 4,901,283 | 4,898,939 |
| In foreign currencies | | |
| Term deposits | 6,875,000 | 5,891,500 |
| In VND | 6,400,000 | 5,650,000 |
| In foreign currencies | 475,000 | 241,500 |
| | 11,776,283 | 10,790,439 |

14.2 Borrowings from other banks

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|--|---|---|
| In VND | 104,057 | 367,564 |
| <i>In which: Discount and rediscount loans</i> | | |
| In foreign currency | 699 | 750 |
| <i>In which: Discount and rediscount loans</i> | | |
| | 104,756 | 368,314 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

15. DEPOSITS AND OTHER AMOUNTS DUE TO CUSTOMERS

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|--|---|---|
| Demand deposits | 3,433,196 | 5,127,370 |
| Demand deposit in VND | 3,383,320 | 5,111,943 |
| Demand saving deposits in VND | 46 | 45 |
| Demand deposits in foreign currencies | 49,830 | 15,382 |
| Demand saving deposits in foreign currencies | | |
| Term deposits | 118,967,213 | 113,228,407 |
| Term deposit in VND | 3,819,420 | 3,436,196 |
| Term saving deposits in VND | 115,073,918 | 109,718,824 |
| Term deposits in foreign currencies | | |
| Term saving deposits in foreign currencies | 73,875 | 73,387 |
| Deposits for specific purpose | 27 | 27 |
| Margin deposits | 149,251 | 121,119 |
| Margin deposits in VND | 148,922 | 118,487 |
| Margin deposits in foreign currencies | 329 | 2,632 |
| | 122,549,687 | 118,476,923 |

16. VALUABLE PAPERS ISSUED

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|----------------------------|---|---|
| Under 12 months | 3,000,000 | |
| From 12 months to 05 years | 8,001,950 | 4,801,950 |
| From and above 05 years | 5,018,850 | 2,260,400 |
| | 16,020,800 | 7,062,350 |

17. OTHER PAYABLES

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-------------------------|---|---|
| Internal payables | 516,987 | 133,114 |
| External payables | 148,442 | 145,630 |
| Bonus and welfare funds | 97,926 | 145,002 |
| | 763,355 | 423,746 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

18. OBLIGATIONS TO THE STATE BUDGET

| | <i>Opening balance</i> | <i>Movements during the period</i> | | <i>Closing balance</i> |
|--------------------------------|----------------------------|------------------------------------|----------------|----------------------------|
| | | <i>Payable</i> | <i>Paid</i> | |
| Value Added Tax | 1,243 | 16,771 | 16,689 | 1,325 |
| Corporate Income Tax (*) | 99,412 | 249,023 | 262,060 | 86,375 |
| Other fees and tax payables | 16,067 | 149,889 | 142,248 | 23,708 |
| | 116,722 | 415,683 | 420,997 | 111,408 |

Unit: million dong

(*) According to Decree No. 218/2013/NĐ-CP dated 26 December 2013 detailing and guiding the implementation of the Law on corporate income tax dated 03 June 2008 and the Law amending and supplementing a number of articles of the Law on corporate income tax dated 19 June 2013, The Bank has the obligation to pay Corporate income tax ("CIT") at the rate of 20% of taxable profits as from 01 January 2016.

The Bank's tax returns are subject to examination by the tax authorities. Because the application of tax laws and regulations of many types of transactions is susceptible to varying interpretations, amounts reported in the interim consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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19. OWNERS' EQUITY AND RESERVES

19.1 Statement of changes in owners' equity

Changes in owners' equity of the Bank during the period ended 31 December 2024 are described in the following table:

Unit: million dong

| | Charter capital | Share premium | Investment and development fund | Financial reserve | Supplemental capital reserve | Other reserves | Retained earnings/ (Accumulated losses) | Total |
|--|------------------|----------------|---------------------------------------|-------------------|---------------------------------|-------------------|---|-------------------|
| Opening balance | 8,334,266 | 107,289 | 564 | 625,708 | 292,592 | | 1,507,840 | 10,868,259 |
| Increase in the period | 625,070 | | | 84,404 | 42,202 | | 1,011,255 | 1,762,931 |
| Capital increase in the period (i) | 625,070 | | | | | | | 625,070 |
| Net profit for the period | | | | | | | 1,011,255 | 1,011,255 |
| Appropriation to reserves for previous period (ii) | | | | 84,404 | 42,202 | | | 126,606 |
| Temporary appropriation to reserves for current period | | | | | | | | |
| Other increases | | | | | | | | |
| Decrease in the period | | | | | | | 848,740 | 848,740 |
| Utilisation in the period | | | | | | | 223,670 | 223,670 |
| Treasury shares bought back during the period | | | | | | | | |
| Final dividend payment for previous period (i) | | | | | | | 625,070 | 625,070 |
| Dividend paid in advance for the period | | | | | | | | |
| Other decreases | | | | | | | | |
| Closing balance | 8,959,336 | 107,289 | 564 | 710,112 | 334,794 | | 1,670,355 | 11,782,450 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

19. OWNERS' EQUITY AND RESERVES (continued)

19.1 Statement of changes in owners' equity (continued)

(i) In the period, the Bank increased its charter capital from VND 8,334,266,440,000 to VND 8,959,336,420,000 in accordance with the Resolution No. 02/2023/NQ-ĐHĐCĐ dated 22 April 2023 of the General Meeting of Shareholders. Accordingly, the Bank issued 62,506,998 ordinary shares with par value of VND 10,000/share through the form of share issuance to pay dividends to existing shareholders from its accumulated retained earnings of 2022.

(ii) The Bank distributed 2023's profit according to the Resolution No. 02/2024/NQ-ĐHĐCĐ dated 27 April 2024 as follows:

| | <i>Amount million dong</i> |
|---|--------------------------------|
| Supplemental charter capital reserve | 42,202 |
| Financial reserve | 84,404 |
| Welfare fund | 84,404 |
| Remuneration to members of Board of Directors and Board of Supervisors | 12,660 |

Details of the Bank's chartered capital are as follows:

| | <i>31 Dec 2024 million dong</i> | <i>31 Dec 2023 million dong</i> |
|--|-------------------------------------|-------------------------------------|
| Contributed capital | 8,959,336 | 8,334,266 |
| <i>Contributed capital by shareholders</i> | 8,959,336 | 8,334,266 |
| Share premium | 107,289 | 107,289 |
| Treasury shares | 9,066,625 | 8,441,555 |

Details of shares issued by the Bank are as follows:

| | <i>31 Dec 2024 million dong</i> | <i>31 Dec 2023 million dong</i> |
|---|-------------------------------------|-------------------------------------|
| <i>Shares registered for issuance</i> | 895,933,642 | 833,426,644 |
| <i>Shares sold to the public</i> | 895,933,642 | 833,426,644 |
| Ordinary shares | 895,933,642 | 833,426,644 |
| Preference shares | | |
| <i>Treasury shares</i> | | |
| Ordinary shares | | |
| Preference shares | | |
| <i>Outstanding shares</i> | 895,933,642 | 833,426,644 |
| Ordinary shares | 895,933,642 | 833,426,644 |
| Preference shares | | |
| <i>Face value of outstanding shares (VND/share)</i> | 10,000 | 10,000 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

20. INTEREST AND SIMILAR INCOME

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|---|--|--|
| Interest income from deposits with other banks | 133,090 | 144,663 |
| Interest income from loans to customers | 10,250,733 | 11,132,791 |
| Interest income from debt securities | 1,397,651 | 1,931,148 |
| <i>Interest income from trading securities</i> | 1,108,781 | 1,101,656 |
| <i>Interest income from investment securities</i> | 288,870 | 829,492 |
| Fee income from guarantee activities | 27,686 | 21,328 |
| Other interest income from credit activities | 2,953 | 154,354 |
| | 11,812,113 | 13,384,284 |

21. INTEREST AND SIMILAR EXPENSES

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|---|--|--|
| Interest and similar expenses for customer deposits | 7,927,056 | 10,534,871 |
| Interest and similar expenses for borrowings | 211 | 1,773 |
| Interest expenses for issuing valuable papers | 563,206 | 457,610 |
| Other expenses for credit activities | 430 | 759 |
| | 8,490,903 | 10,995,013 |

22. NET FEE AND COMMISSION INCOME

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|---|--|--|
| Fee and commission income from | 150,014 | 137,774 |
| Settlement services | 34,750 | 27,743 |
| Treasury operations | 1,241 | 1,280 |
| Agency services | 41,951 | 62,645 |
| Advisory service | 4,861 | 1,376 |
| Other services | 67,211 | 44,730 |
| Fees and commission expenses for | (44,433) | (32,922) |
| Settlement services | (18,985) | (14,052) |
| Treasury operations | (4,508) | (4,062) |
| Agency services | (2,434) | (468) |
| Advisory service | (5,703) | (5,285) |
| Other services | (12,803) | (9,055) |
| Net fee and commission income | 105,581 | 104,852 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

23. NET GAIN/(LOSS) FROM FOREIGN CURRENCY TRADING

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|--|--|--|
| Income from foreign currency trading | 300,698 | 263,523 |
| Income from foreign exchange spot contracts | 300,698 | 263,523 |
| Income from currency derivatives | | |
| Expenses for foreign currency trading | (368,950) | (148,177) |
| Expenses for foreign exchange spot contracts | (368,950) | (148,177) |
| Expenses for currency derivatives | | |
| Net gain/(loss) from foreign exchange trading | (68,252) | 115,346 |

24. NET GAIN/(LOSS) FROM SECURITIES

24.1 Net gain/(loss) from investment securities

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|---|--|--|
| Income from trading of investment securities | 314,178 | 317,251 |
| Expense from trading of investment securities (Provision)/Reversal of provision for investment securities | (32,001) | (4,080) |
| | 1,499 | 6,481 |
| Net gain/(loss) from investment securities | 283,676 | 319,652 |

25. NET GAIN/(LOSS) FROM OTHER OPERATING ACTIVITIES

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|--|--|--|
| Income from debt trading activities | | |
| Income from other derivative financial instruments | | |
| Other operating incomes | 27,292 | 99,206 |
| Other operating expenses | (21,182) | (9,653) |
| Net gain/(loss) from other operating activities | 6,110 | 89,553 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

26. NET SHARE OF PROFIT IN ASSOCIATES, JOINT VENTURES AND DIVIDEND INCOME

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|--|--|--|
| Dividends received from equity investments: | 12,638 | 27,639 |
| - from equity trading securities | | |
| - from equity investment securities | | |
| - from long-term investments | 12,638 | 27,639 |
| Other incomes | | |
| Gain/(Loss) from equity investments | 12,638 | 27,639 |

27. OPERATING EXPENSES

| | <i>For financial period ended 31 Dec 2024 million dong</i> | <i>For financial period ended 31 Dec 2023 million dong</i> |
|--|--|--|
| Tax expenses and fees | 8,561 | 22,885 |
| Employee expenses | 1,403,176 | 1,099,871 |
| Salary and allowances | 1,103,231 | 832,943 |
| Salary related contribution | 118,355 | 107,941 |
| Other allowances | 367 | 593 |
| Others | 181,223 | 158,394 |
| Expenses on fixed assets | 268,834 | 248,944 |
| In which: | | |
| Depreciation expenses | 50,998 | 46,447 |
| General and administration expenses | 30,928 | 16,689 |
| Business trip expenses | 24,316 | 15,463 |
| Expenses for trade union activities | 6,612 | 1,226 |
| Insurance for customer deposits | 172,443 | 144,229 |
| Provision for long-term investments | 1,635 | 348 |
| Other operating expenses | 363,695 | 299,945 |
| | 2,249,272 | 1,832,911 |

28. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim consolidated statement of cash flows comprise of the following balances of the interim consolidated statement of financial position:

| | <i>31 Dec 2024 million dong</i> | <i>31 Dec 2023 million dong</i> |
|---|-------------------------------------|-------------------------------------|
| Cash and cash equivalents on hand | 566,596 | 616,570 |
| Demand deposits at the SBV | 798,225 | 887,264 |
| Deposits with other banks (demand or term less than 90 days) | 12,454,527 | 13,602,238 |
| Loans to other banks due within 90 days | 1,367,574 | |
| Securities with original maturity of less than 90 days from the acquisition dates | 499,762 | 100,252 |
| | 15,686,684 | 15,206,324 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

29. CONTINGENT LIABILITIES AND COMMITMENTS

In the normal course of business, the Bank is a party to financial instruments which are recorded as off-balance sheet items. These financial instruments mainly comprise financial guarantees and commercial letters of credit. These instruments involve elements of credit risk in excess of the amounts recognized in the separate statement of financial position.

Credit risk for off-balance sheet financial instruments is defined as the possibility of sustaining a loss in case any other parties to a financial instrument fail to perform in accordance with the terms of the contract.

Financial guarantees are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party including guarantee for borrowings, settlement, and performing contracts and bidding. The credit risk involved in issuing guarantees is essentially the same as that involved in extending facilities to other customers.

Commercial at sight letters of credit represent a financing transaction by the Bank to its customer where the customer is usually the buyer/importer of goods and the beneficiary is typically the seller/exporter. Credit risk is limited as the merchandise shipped serves as collateral for the transaction.

Deferred payment letters of credits represent the amounts at risk should the contract be fully drawn upon and the client defaults in repayment to the beneficiary. Deferred payment letters of credit that defaulted by clients are recognized by the Bank as granting of a compulsory loan with a corresponding liability representing the financial obligation of the Bank to pay the beneficiaries and to fulfill the guarantor obligation.

The Bank usually requires customers to place margin deposits for credit related financial instruments. The value of deposits may vary from 0% to 100% of the value of the commitments issued depending on the customers' trustworthiness.

The outstanding commitments and contingent liabilities at the end of the period are as follows:

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|--|---|---|
| Credit guarantees | 1,188,176 | 1,032,429 |
| Commitment on the foreign exchange transactions | 96,172,077 | 71,861,468 |
| Commitment on the purchase of foreign currency | 16,809,800 | 10,336,200 |
| Commitment on the sale of foreign currency | 6,759,800 | 6,858,391 |
| Commitment on the currency swap transactions | 72,602,477 | 54,666,877 |
| Commitments to conduct future transactions | | |
| Irrevocable loan commitments | 1,330,645 | 115,636 |
| Commitments in L/C operations | | |
| Other guarantees | 1,221,016 | 479,721 |
| Other commitments | | |
| | 99,911,914 | 73,489,254 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

30. UNCOLLECTED INTEREST AND FEE RECEIVABLES

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|-------------------------------|---|---|
| Uncollected loan interest | 580,751 | 562,577 |
| Uncollected security interest | 111,580 | |
| Uncollected fee receivables | 30 | 33 |
| | 692,361 | 562,610 |

31. BAD DEBTS WRITTEN-OFF

| | <i>31 Dec 2024</i> <i>million dong</i> | <i>31 Dec 2023</i> <i>million dong</i> |
|---|---|---|
| Principal of bad debts written-off under monitoring | 600,645 | 586,190 |
| Interest of bad debts written-off under monitoring | 1,888,138 | 1,824,737 |
| | 2,488,783 | 2,410,927 |

32. CONCENTRATION OF ASSETS, LIABILITIES AND OFF-STATEMENT OF FINANCIAL POSITION ITEMS BY GEOGRAPHICAL REGIONS

| Location | <i>Loans to customers and to other credit institutions</i> | <i>Deposits and borrowings from customers and other credit institutions</i> | <i>Credit commitments</i> | <i>Derivative (Total value of contracts)</i> | <i>Trading and investments securities</i> |
|----------|--|---|-------------------------------|--|---|
| | <i>million dong</i> | <i>million dong</i> | <i>million dong</i> | <i>million dong</i> | <i>million dong</i> |
| Domestic | 113,121,899 | 134,430,726 | 3,739,837 | 184,066 | 34,000,481 |
| | 113,121,899 | 134,430,726 | 3,739,837 | 184,066 | 34,000,481 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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33. RELATED PARTY TRANSACTIONS

Related party transactions include all transactions undertaken with other parties to which the Bank is related. A party is considered to be related if the party has ability to control or to influence the other parties in decision making in term of financial policies and business activities. A party is related to the Bank if:

- (a) Directly, or indirectly through one or more intermediaries, the party:
 - ▶ controls, is controlled by, or is under common control with, the Bank (this includes parents and subsidiaries);
 - ▶ has an interest in the Bank that gives it significant influence over the Bank;
 - ▶ has joint control over the Bank;
- (b) The party is a joint venture in which the Bank is a venture or an associate;
- (c) The party is a member of the key management personnel of the Bank;
- (d) The party is a close member of the family of any individual referred to in (a) or (c);
- (e) The party is a Bank that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such Bank resides with, directly or indirectly, any individual referred to in (c) or (d).

As at 31 December 2024, the Bank has two subsidiaries wholly owned by the Bank, which are Bac A Debt Management and Asset Development one sole member Company Limited, specializing in debt and asset management and Bac A money transfer company limited (as described in Note 1).

Significant transactions with related parties during the quarter ended 31 December 2024 are as follows:

| <i>Transactions</i> | <u>31 Dec 2024 million dong</u> |
|----------------------------------|-------------------------------------|
| Income from financing activities | 7,757 |
| Income from Agency services | 1,337 |
| Fees and commission expenses | 204 |

Amounts due to and due from related parties as at 31 December 2024 are as follows:

| <i>Transactions</i> | <u>31 Dec 2024 million dong</u> |
|--------------------------------------|-------------------------------------|
| Subsidiaries' deposits at Bac A Bank | 173,729 |
| Investment in Subsidiaries | 127,000 |

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024**34. MARKET RISK****34.1 Interest rate risk**

The real interest rate re-pricing term of the assets and liabilities is the remaining period from the date of financial statements to the latest interest rate re-pricing term.

The following assumptions and conditions are applied in the analysis of real interest rate re-pricing term of the Bank's assets and liabilities:

- ▶ Cash and cash equivalents on hand, investments in equity securities, long-term investments and other assets (fixed assets, real estate investments and other assets) are classified as non-interest bearing items;
- ▶ Deposits at the SBV are considered settlement deposits, thus the real interest repricing term is assumed to be one month;
- ▶ The real interest repricing term of security investments and trading securities which are debt securities is based on actual maturity date at the statement of financial position date of each securities; equity securities are classified as non-interest bearing items;
- ▶ The real interest repricing term of deposits due from other banks and loans to other banks, loans to customers, borrowings from the Government and the SBV, customer deposits are identified as follows:
 - Items with fixed interest rate during the contractual term: the real interest adjustment term is based on the contractual maturity date subsequent to the statement of financial position date;
 - Items with floating interest rate: the effective interest re-pricing term is determined based on the time to the nearest interest rate re-pricing date from the date of the statement of financial position;
- ▶ The real interest repricing term of other borrowed funds that the Bank bears risks is based on the actual remaining period subsequent to the statement of financial position date; and
- ▶ The real interest repricing term for other liabilities is categorised from one to three months. In reality, these items can have different interest rate repricing terms.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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34. MARKET RISK (continued)

34.1 Interest risk (continued)

Unit: million dong

| | <i>Overdue</i> | <i>Non-interest bearing</i> | <i>Up to 1 month</i> | <i>1-3 months</i> | <i>3-6 months</i> | <i>6-12 months</i> | <i>1-5 years</i> | <i>Above 5 years</i> | <i>Total</i> |
|---|------------------|-----------------------------|----------------------|-------------------|-------------------|---------------------|---------------------|----------------------|--------------------|
| ASSETS | | | | | | | | | |
| Cash and cash equivalents on hand | | 566,596 | | | | | | | 566,596 |
| Balances with the State Bank of Vietnam | | | 798,225 | | | | | | 798,225 |
| Placements with and loans to other banks (*) | | | 11,054,527 | 2,767,574 | 6,157,883 | 13,292,252 | 1,995,685 | 205,836 | 16,023,622 |
| Trading securities (*) | | | 1,199,764 | 2,450,027 | | | 1,500,000 | | 24,599,926 |
| Derivative financial instruments and other financial assets | | | 184,066 | | | | | | 184,066 |
| Loans and advances to customers (*) | 1,748,572 | | 29,114,099 | 67,674,549 | 8,744,770 | 1,801,964 | 65,434 | 403,416 | 109,552,804 |
| Investment securities (*) | | 136,500 | | | | | 4,817,760 | 4,446,295 | 9,400,555 |
| Long-term investments (*) | | 168,105 | | | | | | | 168,105 |
| Fixed assets and investment properties | | 1,062,274 | | | | | | | 1,062,274 |
| Other assets (*) | | 4,496,898 | | | | | | | 4,496,898 |
| Total assets | 1,748,572 | 6,430,373 | 42,350,681 | 72,892,150 | 14,902,653 | 15,094,216 | 8,378,879 | 5,055,547 | 166,853,071 |
| LIABILITIES | | | | | | | | | |
| Deposits of and loans from the SBV and other banks | | | 11,881,109 | 162 | 86 | 4,362 | 2,824 | | 11,888,543 |
| Customers deposits | | 221,442 | 3,409,338 | 6,812,703 | 4,061,274 | 59,141,215 | 48,903,715 | | 122,549,687 |
| Derivative financial instruments and other financial assets | | | | | | | | | |
| Other borrowed funds | | | | | | | 25,652 | | 25,652 |
| Valuable papers | | | 1,950 | | 1,000,000 | 2,000,000 | 8,000,000 | 5,018,850 | 16,020,800 |
| Other liabilities | | 3,219,561 | | | | | | | 3,219,561 |
| Total liabilities | | 3,441,003 | 15,292,397 | 6,812,865 | 5,061,360 | 61,145,577 | 56,932,191 | 5,018,850 | 153,704,243 |
| Sensitive difference with on-balance sheet interest rate | 1,748,572 | 2,989,370 | 27,058,284 | 66,079,285 | 9,841,293 | (46,051,361) | (48,553,312) | 36,697 | 13,148,828 |

(*): These balances do not include provisions.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

34. MARKET RISK (continued)

34.2 Currency risk

Currency risk is the risk that the value of a financial instrument fluctuates due to changes in foreign exchange rates.

As the Bank was incorporated and operates in Vietnam, VND is the reporting currency. The major currency in which the Bank transacts is also VND. The Bank's loans and advances were mainly denominated in VND with the remainder mainly in USD. However, some of the Bank's other assets are in currencies other than VND and USD. The Bank's management has set limits on positions by currency. Positions are monitored on a daily basis and hedging strategies are used to ensure that the positions are maintained within established limits.

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
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34. MARKET RISK (continued)

34.2 Currency risk (continued)

Classification of assets, liabilities and owners' equity of which currencies are translated into VND as at 31 December 2024 is as follows:

| | <i>EUR as translated</i> | <i>USD as translated</i> | <i>Other foreign currencies as translated</i> | <i>Unit: million dong Total</i> |
|--|--------------------------|--------------------------|---|-------------------------------------|
| ASSETS | | | | |
| Cash and cash equivalents on hand | 5,497 | 38,129 | | 43,626 |
| Balances with the State Bank of Vietnam | | 1,589 | | 1,589 |
| Placements with and loans to other banks (*) | 6,610 | 1,129,491 | 252,948 | 1,389,049 |
| Trading securities (*) | | | | |
| Derivatives and other financial assets (*) | | | | |
| Loans and advances to customers (*) | | 98,000 | | 98,000 |
| Investment securities (*) | | | | |
| Long-term investments (*) | | | | |
| Fixed assets and investment properties | | | | |
| Other assets (*) | | 46,139 | 1,321 | 47,460 |
| Total assets | 12,107 | 1,313,348 | 254,269 | 1,579,724 |
| LIABILITIES | | | | |
| Deposits of and loans from the SBV and other banks | | 475,699 | | 475,699 |
| Customers' deposits | 6,823 | 117,248 | 17 | 124,088 |
| Derivatives and other financial liabilities | | 14,206,150 | | 14,206,150 |
| Other borrowings | | | | |
| Valuable papers | | | | |
| Other liabilities | 8 | 420 | | 428 |
| Capital and reserves | | | | |
| Total liabilities and owner's equity | 6,831 | 14,799,517 | 17 | 14,806,365 |
| FX position on-balance sheet | 5,276 | (13,486,169) | 254,252 | (13,226,641) |
| FX position off-balance sheet | | 10,050,000 | | 10,050,000 |
| FX position on, off-balance sheet | 5,276 | (3,436,169) | 254,252 | (3,176,641) |

(*): These balances do not include provisions.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024**34. MARKET RISK (continued)****34.3 Liquidity risk**

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due under both normal and stressed circumstances. To limit this risk, the management has arranged diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and of monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The maturity term of assets and liabilities represents the remaining period of assets and liabilities as calculated from the statement of financial position date to the point of settlements as stipulated in contracts or in issuance terms and conditions.

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

- ▶ Deposits at the SBV are classified as demand deposits which include compulsory deposits. The balance of compulsory deposits depends on the proportion and terms of the Bank's customer deposits;
- ▶ The maturity term of investment securities is calculated based on the maturity date of each kind of securities;
- ▶ Trading securities and investment equity securities are listed securities, so they are considered as up to one month;
- ▶ The maturity term of placements with and loans to other banks; and loans to customers is determined on the maturity date as stipulated in contracts. The actual maturity term may be altered because loan contracts may be extended. Besides, loans to customers are reported at the principal amounts, which do not include provision for credit losses;
- ▶ The maturity term of equity investments is considered as more than one year because these investments do not have specific maturity date;
- ▶ The maturity term of deposits and borrowings from other banks; and customer's deposits is determined based on features of these items or the maturity date as stipulated in contracts. Vostro account and demand deposits is transacted as required by customers, and therefore, being classified as current accounts. The maturity term of borrowings and term deposits is determined based on the maturity date in contracts. In fact, these amounts may be rotated, and therefore, they last beyond the original maturity date; and
- ▶ The maturity term of fixed assets is determined on the remaining useful life of assets.

Bac A Commercial Joint Stock Bank

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NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

34. MARKET RISK (continued)

34.3 Liquidity risk (continued)

| | Overdue | | Before due date | | | | Unit: million dong | |
|--|------------------|----------------|-------------------|-------------------|---------------------|---------------------|--------------------|--------------------|
| | Above 3 months | Up to 3 months | Up to 1 month | 1 - 3 months | 3 - 12 months | 1 - 5 years | Above 5 years | Total |
| ASSETS | | | | | | | | |
| Cash and cash equivalents on hand | | | 566,596 | | | | | 566,596 |
| Balances with the State Bank of Vietnam | | | 798,225 | | | | | 798,225 |
| Placements with and loans to other banks(*) | | | 11,054,527 | 2,767,574 | | 1,995,685 | 205,836 | 16,023,622 |
| Trading securities (*) | | | 24,599,926 | | | | | 24,599,926 |
| Derivative financial instruments and other financial assets | | | 184,066 | | | | | 184,066 |
| Loans and advances to customers(*) | 1,359,161 | 389,411 | 2,975,851 | 8,850,240 | 40,936,187 | 28,494,666 | 26,547,288 | 109,552,804 |
| Investment securities (*) | | | 136,500 | | | 4,817,760 | 4,446,295 | 9,400,555 |
| Long-term investments (*) | | | | | | 168,105 | | 168,105 |
| Fixed assets and investment properties | | | | | | 235,556 | 826,718 | 1,062,274 |
| Other assets (*) | | | 223,082 | 466,984 | 2,266,930 | 1,247,865 | 292,037 | 4,496,898 |
| Total assets | 1,359,161 | 389,411 | 40,538,773 | 12,084,798 | 43,203,117 | 36,959,637 | 32,318,174 | 166,853,071 |
| LIABILITIES | | | | | | | | |
| Deposits of and loans from the SBV and other banks | | | 11,881,109 | 162 | 4,448 | 2,824 | | 11,888,543 |
| Customers' deposits | | | 3,630,780 | 6,812,703 | 63,202,489 | 48,903,715 | | 122,549,687 |
| Derivative financial instruments and other financial liabilities | | | | | | | | |
| Other borrowings | | | | | | 25,652 | | 25,652 |
| Valuable papers | | | 1,950 | | 3,000,000 | 8,000,000 | 5,018,850 | 16,020,800 |
| Other liabilities | | | 825,457 | 140,291 | 1,273,823 | 979,990 | | 3,219,561 |
| Total liabilities | | | 16,339,296 | 6,953,156 | 67,480,760 | 57,912,181 | 5,018,850 | 153,704,243 |
| Net liquidity difference | 1,359,161 | 389,411 | 24,199,477 | 5,131,642 | (24,277,643) | (20,952,544) | 27,299,324 | 13,148,828 |

(*): These balances do not include provisions.

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)
as at and for Quarter IV ended 31 December 2024

35. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There are no significant events occurring after the statement of financial position date which would require adjustments, notes or disclosures to be made on the interim consolidated financial statements.

Prepared by

Verified by

Approved by

hen
Doan Thi Trang Lien

Accountant

Ngô
Hoang Quang Dung

Director of Finance



Deputy General Director

Nghe An, Vietnam, ..20th... January, 2025

PHÓ TỔNG GIÁM ĐỐC
Lê Ngọc Hồng Nhật

