

LPBank 

ANNUAL REPORT

LEAN

— FOR —

EFFICIENT LEADERSHIP
AND OPERATIONAL EXCELLENCE



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LEAN

FOR

EFFICIENT LEADERSHIP
AND OPERATIONAL EXCELLENCE

“

As the Government and the State intensify efforts to lean the administrative system, LPBank is not standing aside but proactively embracing this trend. We recognize that lean is not only an inevitable trend but also an urgent requirement for the Bank to achieve sustainable growth in an increasingly volatile economic environment.

This strategic move is essential for LPBank to become a leading retail bank while enhancing operational efficiency and creating lasting value for customers, partners, and shareholders.

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I believe that, with the consensus and determination of all staffs along with the trust and support of valued Shareholders, Customers and Partners, LPBank will proactively seize opportunities, successfully complete the targeted strategic goals and continue to affirm its solid position in the market. Each step forward today is the foundation for a strong and sustainable development of LPBank in the future.

MESSAGE FROM

THE CHAIRMAN OF THE BOARD OF DIRECTORS

Dear Valued Shareholders, Customers and Partners of LPBank,

2024 is a challenging year for the global economy in general and the Vietnamese economy in particular. In such a volatile circumstance, LPBank has been steadfast in its strategy, closely following the directions of the Party, the Government and the State Bank. Thanks to its reactivity and flexibility, LPBank has gradually executed its business goals, achieved impressive results and reinforced its solid position in the financial and banking market.

As of 31/12/2024, LPBank's total assets reached VND 508,330 billion, profit before tax reached VND 12,168 billion - a remarkable growth of 73% over the same period in 2023. In addition to the breakthrough in business scale and results, LPBank also affirmed its position through outstanding financial indicators such as ROE reaching 25.1%, among the TOP market leaders, always complying with safety ratios regulated by the State Bank.

To achieve such impressive results, LPBank's Board of Directors values, acknowledges and appreciates the support of our valued Customers and Partners; the determined efforts of all staffs and employees; the sharing and companionship of our Shareholders.

We are entering an era of national growth, where speed, adaptability and digital platforms will become decisive factors to create breakthroughs. Realizing that trend, in 2024, LPBank has steadfastly implemented the core strategy of "Lean for efficient leadership - Operational excellence", focusing on perfecting management capacity, standardizing processes and accelerating the comprehensive digital transformation process. Thanks to the persistence in innovation and consistent action that has built a solid foundation, helping LPBank be ready to make a breakthrough in the journey ahead.

Desire to become the TOP 1 retail bank in rural and Type-II urban areas on digital platforms and TOP 5 priority banking services in large cities, LPBank will continue to increase investment in modern technology infrastructure, while constantly innovating to digitize products and services in better service of customer's the diverse needs.

I believe that, with the consensus and determination of all staffs along with the trust and support of valued Shareholders, Customers and Partners, LPBank will proactively seize opportunities, successfully complete the targeted strategic goals and continue to affirm its solid position in the market. Each step forward today is the foundation for a strong and sustainable development of LPBank in the future.

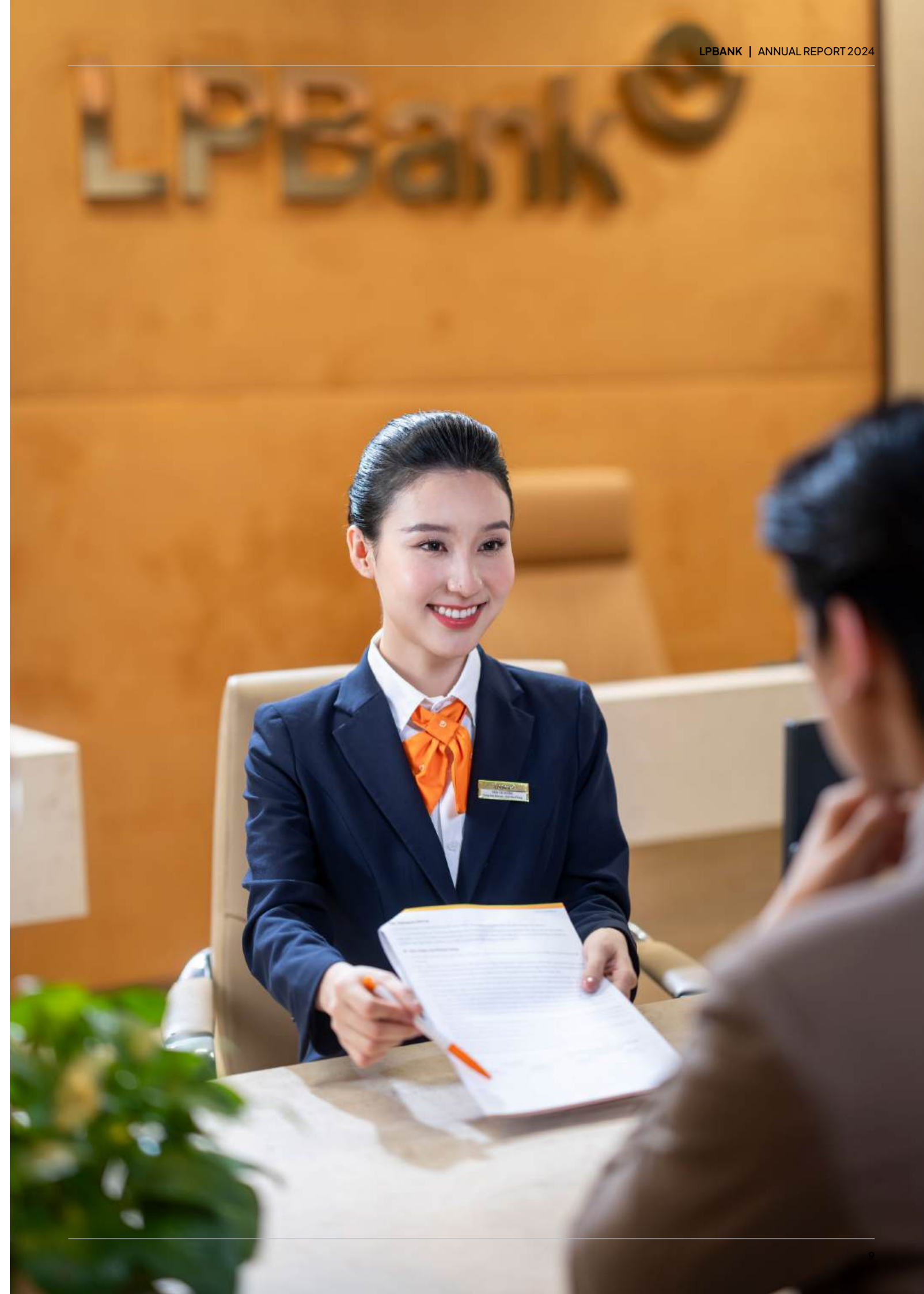


Sincerely
Chairman of the board of directors

Nguyen Duc Thuy

LIST OF ABBREVIATIONS

No.	Abbreviations	Explanation
1	GMS	General meeting of shareholders
2	BOD	Board of Directors
3	BOS	Board of Supervisors
4	BOM	Board of Management
5	CEO	Chief Executive Officer
6	SBV	State Bank of Vietnam
7	SSC	State Securities Commission
8	IT	Information Technology
9	JSC	Joint Stock Commercial
10	CASA	Current Account Savings Account
11	RB	Retail Banking
12	WB	Wholesale Banking
13	IC	Individual Customer
14	CC	Corporate Customer



REMARKABLE ACHIEVEMENTS

01

ONE OF THE 14 SYSTEMICALLY IMPORTANT BANKS IN VIETNAM

On March 28, 2024, the State Bank of Vietnam issued Decision No. 538/QĐ-NHNN, approving the list of 14 systemically important banks in Vietnam for 2024, including LPBank.

02

LAUNCH OF JCB ULTIMATE INTERNATIONAL CREDIT CARD

The LPBank JCB Ultimate International Credit Card was specially selected and launched to commemorate the 16th anniversary of LPBank. The card's features are exclusively designed to reflect the distinguished privileges tailored for the premium customer segment. This is also the highest-tier credit card jointly introduced by LPBank and JCB for customers in Vietnam.

03

COMPLETE THE IMPLEMENTATION OF THE CAPITAL TRANSACTION SYSTEM IN A SHORT TIME

LPBank completed the implementation of the capital transaction system in just under 06 months (from November 2023, Golive on April 23, 2024), while the normal time to implement this project takes from 1 to 2 years.

This is one of the modern transaction systems, allowing banks to transact quickly, accurately with large volumes in capital activities..

04

COMPLETE T24 COREBANKING SYSTEM CONVERSION

After 8 months of cooperation with Temenos - one of the world's leading technology companies, on May 2, 2024, LPBank completed and officially put into operation the most advanced and popular Core Banking T24 system today. With the feat of deploying Core Banking T24, on May 22, 2024 in Hanoi, Temenos honored LPBank as the bank with the "Fastest Core Banking Deployment in Asia".

05

ACHIEVED A+ CREDIT RATING, "STABLE" OUTLOOK

On May 8, 2024, VIS Rating - Vietnam's leading credit rating company, established by Moody's International Credit Rating Organization and prestigious domestic financial institutions, announced the results of the Long-term Issuer Credit Rating for LPBank at A+ with a "Stable" outlook.



REMARKABLE ACHIEVEMENTS

06

FIRST ESG SUSTAINABILITY REPORT RELEASED

On June 28, 2024, LPBank officially released the 2023 ESG Sustainability Report, making specific commitments and taking practical actions to create breakthrough changes, creating long-term values, aiming for sustainable, substantive and effective development.

With the theme “Environmental sustainability”, the Report clearly shows the vision and strategy in implementing ESG at LPBank, aiming for a zero net emission bank, promoting green finance, green transformation and sustainable development.

07

LPBANK HAS CHANGED ITS TRADE NAME TO FORTUNE VIETNAM BANK

On July 15, 2024, LPBank officially announced the use of a new commercial name. Accordingly, the Governor of the State Bank of Vietnam issued Decision No. 423/QĐ-TTGSNH2 allowing the Bank to change its name to Fortune Vietnam Joint Stock Commercial Bank.

LPBank has chosen the new commercial name to demonstrate the Bank’s commitment to the journey of creating benefits and prosperity for Partners, Customers, Shareholders, Employees and the community.

08

SUCCESSFULLY CO-ORGANIZED VTV LPBANK INTERNATIONAL MARATHON

The VTV LPBank International Marathon - “Cat Ba Sunset Colors 2024” is organized for the first time with the desire to build a series of large-scale, prestigious and quality annual running races for the community of people who are passionate and love running. The race also contributes positively to promoting tourism, culture and boosting the economy of the host locality in particular and Vietnam in general.

09

OFFICIALLY OPERATING UNDER THE NEW LEAN MODEL

In the context of the country drastically promoting the implementation of streamlining the apparatus, LPBank does not stand aside but proactively catches up with the trend.

After the process of reviewing, evaluating and building a lean, multi-tasking, and effective organizational structure model, sừa on December 16, 2024, LPBank officially started to operate according to the new lean model.



IMPRESSIVE FINANCIAL RESULTS

	2023	2024	% growth
Total mobilized capital (billion VND)	285,342	338,662	▲ 19%
Total lending (billion VND)	275,453	331,606	▲ 20%
Total assets (billion VND)	382,863	508,330	▲ 33%
Profit before tax (billion VND)	7,039	12,168	▲ 73%
Equity (billion VND)	34,117	43,338	▲ 27%
Return on equity (ROE) (%)	19%	25.10%	▲ 31%
CAR (%)	12.24%	13.33%	▲ 1.09%



AWARDS



TOP 500
TOP 500 LARGEST PRIVATE ENTERPRISES IN VIETNAM 2024
 Vietnam report and Vietnamnet

BANK WITH EXCELLENT INTERNATIONAL PAYMENT QUALITY IN 2024
 JP Morgan

TOP 500
TOP 500 LARGEST ENTERPRISES IN VIETNAM 2024
 Vietnam report and Vietnamnet

PREFERRED EMPLOYER 2024
 CareerViet

TOP 500
TOP 500 FASTEST GROWING ENTERPRISES IN VIETNAM 2023
 Vietnam report and Vietnamnet

SAO KHUE 2024
 VINASA

TOP 100
TOP 100 MOST VALUABLE BRANDS IN VIETNAM 2024
 Brand Finance

FASTEST CORE BANKING DEPLOYMENT IN ASIA 2024
 Temenos

TOP 10
TOP 10 INNOVATIVE AND EFFECTIVE BANKS IN 2024
 Investment Newspaper and Viet Research

DEPLOYING THE BEST AUTOMATION TECHNOLOGY IN VIETNAM 2024
 The Asian Banker

TOP 50
TOP 50 PRESTIGIOUS AND EFFECTIVE PUBLIC COMPANIES IN 2024
 Vietnam report and Vietnamnet

MOST SWAPPED FX MARKET MAKER 2023
 VBMA

TOP 10
TOP 10 PRESTIGIOUS PRIVATE COMMERCIAL JOINT STOCK BANKS IN 2024
 Vietnam report and Vietnamnet

MARKET MAKER BEST FX SWAP TRADING QUOTES 2023
 VBMA

TOP 50
TOP 50 MOST FAVORITE EMPLOYERS IN 2024
 Investment Newspaper

BEST PLACES TO WORK IN ASIA 2024
 HR Asia

TOP 50
TOP 50 MOST EFFECTIVE BUSINESSES 2024
 Investment Bridge Magazine

ASIA'S OUTSTANDING ENTERPRISE 2024
 Enterprise Asia

TOP 50
TOP 50 EXCELLENT VIETNAMESE ENTERPRISES IN 2024
 Vietnam report and Vietnamnet

CHAPTER 1

ABOUT LPBANK



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ABOUT US

Trading name	FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK
Abbreviation	LPBank
Business registration certificate number	6300048638
Charter capital	VND 29,872,821 million ⁽¹⁾
Equity	VND 43,338,300 million
Address	LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward, Hoan Kiem District, Hanoi City, Vietnam
Phone number	024 62 668 668
Fax number	024 62 669 669
Hotline	*8668
Website	www.lpbank.com.vn
Stock code	LPB

⁽¹⁾ Data as of January 21, 2025

Business sectors

Permitted Business Operations (Operating under License No. 91/GP-NHNN issued by the Governor of the State Bank of Vietnam on March 28, 2008)



Capital mobilization, credit activities, payment services, treasury operations, and other related activities.



Equity investment and share acquisition in other enterprises in accordance with legal regulations.



Participation in the money market as regulated by the State Bank of Vietnam.



Direct trading or establishment of affiliated companies with independent legal status and self-accounting using the bank's own capital to conduct foreign exchange and gold trading in both domestic and international markets upon approval from the State Bank of Vietnam.



Entrusting, receiving entrusted funds, and acting as an agent in banking-related activities, including asset and investment fund management for organizations and individuals both domestically and internationally under entrustment and agency contracts.



BUSINESS LOCATION



Network system

1 Head office

3 Representative offices

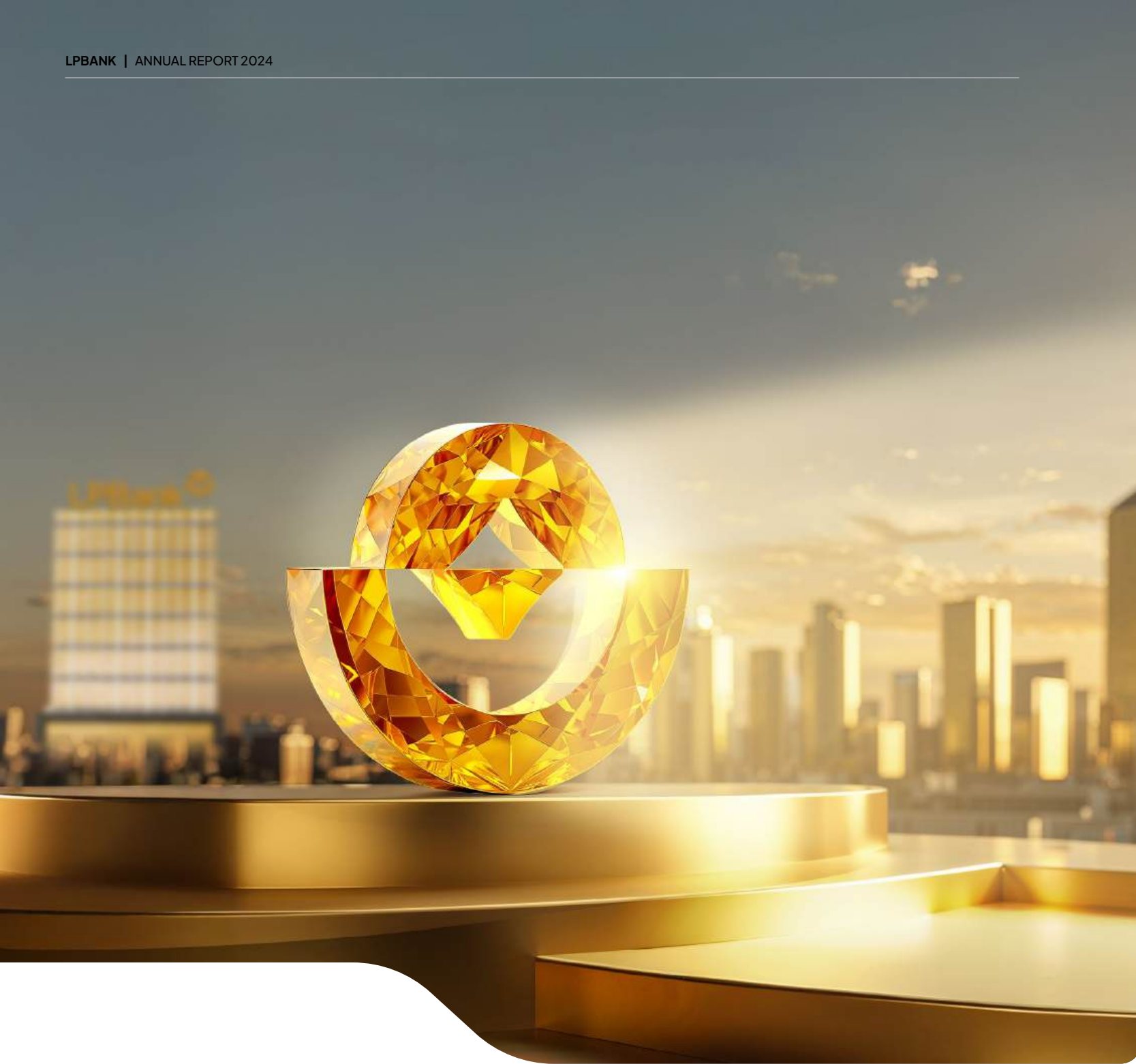
85 Branches

481
Transaction offices

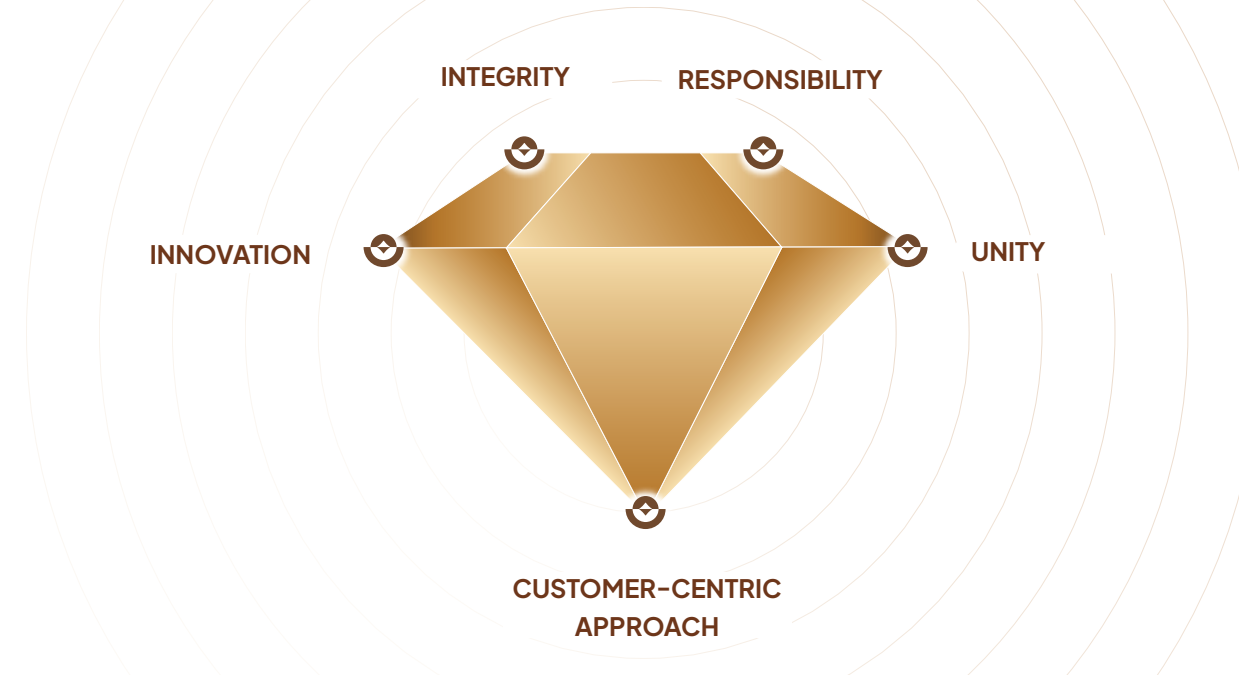
512
Post-office
Transaction offices

Number of Branches/ Transaction Offices by location:

No.	Region	Number of Branches	Number of Transaction offices
1	Hanoi region	10	24
2	Northern Mountainous region	16	98
3	Red River Delta region	11	71
4	Central Highlands region	25	140
5	Ho Chi Minh region	5	12
6	Southeast region	5	37
7	Southwestern region	13	99
	Total	85	481



CORE VALUES



1. INTEGRITY

LPBank considers integrity as the solid foundation for all relationships with customers. In every situation, LPBank acts with honesty, transparency, respect, and righteousness, protecting the legitimate rights of customers and adhering to the ethical principles of banking. The bank builds absolute trust with customers, partners, employees, and the community, including regulatory agencies. Prioritizing integrity is also how LPBank establishes its reputation and expands business opportunities.

Integrity remains the fundamental value in recruitment, promotion, training, and professional development of LPBank employees.

2. RESPONSIBILITY

LPBank is committed to executing all its operations with the highest level of responsibility, ensuring accuracy, security, and maximum protection for customers. Our business activities are not solely focused on generating profits but also aim for the sustainable development of the community and society. We strive to maximize the benefits of customers, partners, employees, shareholders, and the environment while strictly complying with legal regulations and ethical standards.

4. INNOVATION

LPBank is dedicated to pioneering the application of advanced technologies in banking operations. We consistently innovate and create new solutions to maximize value, enhance customer experiences, and personalize banking services.

Innovation is also the foundation for improving productivity, increasing efficiency, and enhancing service quality for customers.

3. UNITY

All employees and leaders at LPBank are committed to fostering a collaborative and respectful working environment, where everyone supports each other in sharing both successes and responsibilities. We highly value creative ideas and respect differing opinions, all while working toward the common goal of developing the bank and upholding core values such as integrity, openness, fairness, and objectivity.

5. CUSTOMER-CENTRIC APPROACH

We place customers at the center of our organizational structure, business philosophy, and development strategy. All banking products and services are designed to meet customer needs and optimize their benefits. A strong, lasting relationship with customers is LPBank's most valuable asset.

MISSION

To integrate and promote local economic development, contributing to the prosperity of the community through comprehensive, professional, and efficient financial services.

VISION

To become the most trusted financial partner – the top choice for individuals, households, and small and medium-sized enterprises in rural and urban areas.

HISTORICAL JOURNEY

2008



- March 28, 2008: Established Lien Viet Joint Stock Commercial Bank.
- May 1, 2008: Officially launched operations in Hau Giang Province.

2011



- Renamed Lien Viet Post Joint Stock Commercial Bank after Vietnam Post Corporation became a major shareholder.
- Ranked 87th among the 500 largest private enterprises in Vietnam on the VNR500 ranking.

2014



- Awarded “Best Socially Responsible Bank in Vietnam” and “Best Savings Bank in Vietnam” by Global Banking & Finance Review (UK).

2017



- October 5, 2017: Officially listed LPB shares on the UpCom stock exchange. Expanded its network to 140 branches/transaction offices, covering all 63 provinces and cities in Vietnam.
- Received a Certificate of Merit from the Prime Minister for its contributions to the socio-economic development of Hanoi.

2022



- Successfully implemented Basel III and IFRS 9, becoming one of the few financial institutions in Vietnam to adopt these global banking risk management and financial reporting standards simultaneously.

2021



- Moody’s upgraded LPBank’s credit rating to B1 – Stable.
- Won “Fastest Growing Retail Bank in Vietnam 2021”, awarded by Global Business Outlook.

2020



- October 15, 2020: Launched Lienviet24H Digital Bank, integrating online banking platforms including Vi Viet virtual card, Internet Banking, Mobile Banking, and Card Services.
- November 9, 2020: Officially listed LPB shares on the Ho Chi Minh Stock Exchange (HOSE).

2019



- Successfully implemented Circular 41/TT-NHNN ahead of schedule, fulfilling Basel II Pillar I and Pillar III, laying the foundation for full Basel II compliance and ICAAP capital adequacy assessment by early 2020.

2023



- May 2023: Officially rebranded to LPBank with a new brand identity, enhancing its image as a dynamic and customer-friendly bank.

2024



- On March 28, 2024, the State Bank of Vietnam ranked LPBank as one of 14 banks in the group of important credit institutions in the system.
- On July 15, 2024 the State Bank of Vietnam approved LPBank to change its commercial name to Fortune Vietnam Joint Stock Commercial Bank.



SHAREHOLDER STRUCTURE

Share

As of December 31, 2024, the total number of outstanding shares is

2,557,616,416 shares, of which:

- Number of freely transferable shares:
2,483,778,582 shares
- Number of shares restricted from transfer:
73,837,834 shares
- Number of treasury shares: 0 shares

On January 21, 2025, the State Bank of Vietnam issued Decision No. 125/QĐ-NHNN approving the amendment of LPBank’s charter capital to increase to VND 29,872,821,000,000, corresponding to the total number of shares allowed to circulate of

2,987,282,100 shares.

Shareholder structure as of December 31, 2024

Type of shareholder	Number of shareholders	Number of shares	Share ownership ratio (%) [Ib7]
Classification by ownership ratio			
Major shareholder (owns ≥5%)	1	167,196,956	6.54
Remaining shareholders	28,450	2,390,419,460	93.46
Classification by type			
Individual shareholders	28,365	2,369,218,983	92.63
Institutional shareholders	86	188,397,433	7.37
Classification by nationality			
Domestic shareholders	28,238	2,540,485,566	99.33
Foreign shareholders	213	17,130,850	0.67
Classification by State ownership			
State shareholders	1	167,196,956	6.54
Other shareholders	28,450	2,390,419,460	93.46
Total	28,451	2,557,616,416	100.00

Maximum foreign ownership ratio: 5% of charter capital (according to LPBank’s Charter)



Owner's equity change situation:

Time	Added Capital Value (VND Million)	Charter capital after increase (VND Million)	Target Investors / Capital Expansion Form	Approving Authority
2008	3,300,000	3,300,000	Establishment	SBV
2009	350,000	3,650,000	Offering shares to existing shareholders	SBV & SSC
2011	2,000,000	5,650,000	Conversion of VND 2,000 billion worth of convertible bonds issued to the public in 2010	SBV & SSC
2011	360,000	6,010,000	Merged with Postal Savings Service Company	Prime Minister, Ministry of Finance, SBV & SSC
2012	450,000	6,460,000	Private issuance for Vietnam Post Corporation	Prime Minister, Ministry of Finance, SBV & SSC
2018	1,039,994	7,499,994	Issuance of shares for dividend payment; public offering of shares to existing shareholders; and issuance of shares under the employee stock option program	SBV & SSC
2019	1,381,447	8,881,441	Issuance of shares to pay dividends of 2017; and Offering shares to existing shareholders	SBV & SSC
2020	888,042	9,769,483	Issuance of shares to pay dividends of 2018 and issuing shares to increase capital from equity	SBV & SSC
2020	976,906	10,746,389	Issuance of shares to pay dividends of 2019	SBV & SSC
2021	1,289,516	12,035,905	Issuance of shares to pay dividends of 2020	SBV & SSC
2022	349,958	12,385,863	Issuance of shares under the employee stock option program	SBV & SSC
2022	2,649,997	15,035,860	Offering shares to existing shareholders	SBV & SSC
2022	2,255,194	17,291,054	Issuance of shares to pay dividends of 2021	SBV & SSC

Time	Added Capital Value (VND Million)	Charter capital after increase (VND Million)	Target Investors / Capital Expansion Form	Approving Authority
2023	3,285,110	20,576,164	Issuance of shares to pay dividends of 2022	SBV & SSC
2023	5,000,000	25,576,164	Offering shares to existing shareholders	SBV & SSC
2024	4,296,657	29,872,821	Issuance of shares to pay dividends of 2023	SBV & SSC

Transaction of treasury shares

In 2024, LPBank did not conduct any treasury share transactions. As of December 31, 2024, LPBank had no treasury shares.

Other securities:

Debt securities	Released in 2024 (VND billion)	Number of issuances in 2024 (rounds)	Balance as of 12/31/2024 (VND billion)	Term
Regular private bonds	3,000	2	13,300	2-10 years
Tier 2 capital private bonds	2,610	7	2,610	
Tier 2 capital public bonds	0	0	4,557	7-10 years
Certificate of Deposit	31,000	24	31,300	<1 years - 4 years
Total	36,610	33	51,767	

INVESTOR RELATIONS ACTIVITIES

Stock information

Stock code: LPB

Number of shares outstanding as of December 31, 2024:

2,557,616,416 shares

Market capitalization:

VND **79,926** billion

Foreign ownership ratio: 0.67%

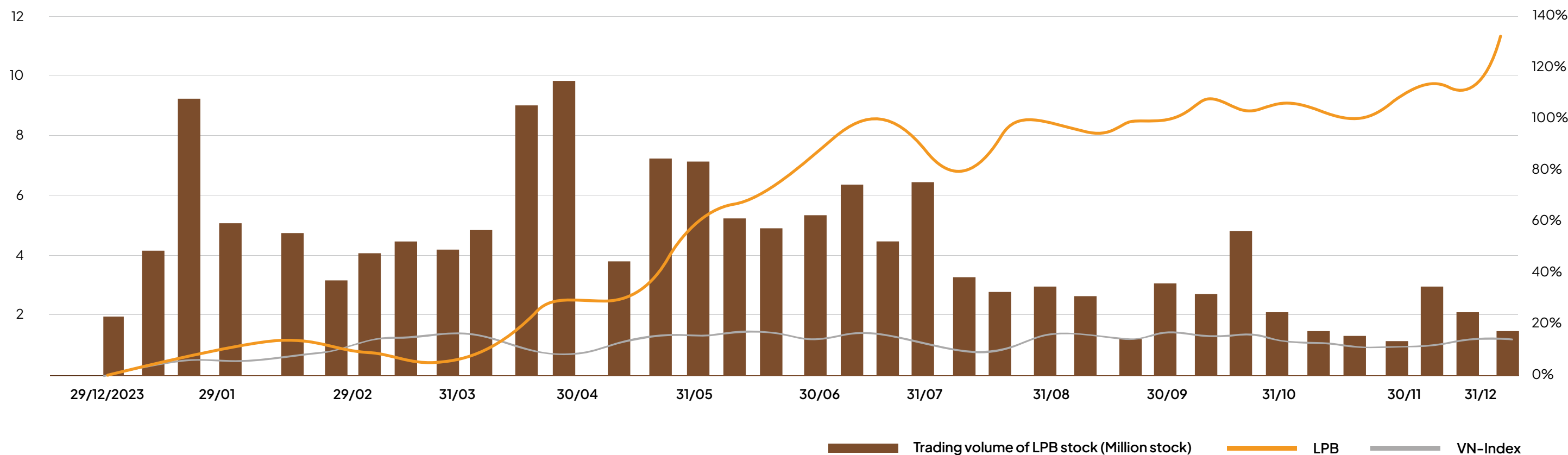
Stock price performance

In 2024, LPB stock experienced an impressive year of growth, recording an increase of over 120% compared to the beginning of the year and closing the final trading session at 31,250 VND per share. This strong surge not only reflects investor confidence in LPBank's solid foundation and effective development strategy but also reinforces the bank's growing position in the financial market.

LPB's positive growth was driven by strong business performance, stable credit growth, and improved asset quality with stringent risk management. Additionally, market expansion, enhanced operational efficiency, and outstanding financial indicators have attracted significant investor interest.

Thanks to its solid internal strengths and favorable market trends, LPB has become one of the most attractive banking stocks of 2024, reaffirming its position as a promising investment channel with long-term growth potential.

WEEKLY GROWTH RATE OF LPB STOCK'S AVERAGE PRICE (BASELINE: DECEMBER 29, 2023)



Objective of LPBank’s investor relations activities

Providing Transparent, Accurate, and Timely Information

- Delivering financial, strategic, and business operation information with accuracy, transparency, and compliance with regulations
- Timely updating financial reports, business results, and other important information

Compliance with Regulations & International Practices

- Ensuring compliance with regulations of the State Securities Commission (SSC), the Vietnam Stock Exchange, and corporate governance standards
- Adopting Investor Relations (IR) standards in line with international best practices



Optimizing Shareholder Benefits

- Maintaining a reasonable dividend policy and enhancing stock value
- Building sustainable relationships with shareholders and investors

Developing a Professional IR Communication System

- Diversifying information channels: Investor website, Annual Reports, Investor Conferences
- Applying digital technology to enhance engagement with investors

Commitment to investors

At LPBank, we are committed to building and maintaining sustainable relationships with investors through transparent information, professional governance, and long-term development strategies. We always prioritize the interests of our shareholders and investors while continuously enhancing corporate value, ensuring stable and sustainable growth in the financial market.

We ensure the provision of complete, accurate, and timely information about our business operations, helping investors make well-informed decisions. Our financial reports, development strategies, and other key information are disclosed transparently, ensuring fair access and strengthening investor confidence.

LPBank also focuses on fostering strong engagement with investors through conferences, annual reports, direct dialogues, and official communication channels. We actively listen, provide timely responses, and work closely with investors to create a transparent, reliable, and efficient investment environment.

Beyond financial profits, LPBank is committed to sustainable development by integrating business activities with social responsibility, green finance, and long-term risk management. We believe that this approach not only strengthens the bank’s position in the market but also represents our long-term commitment to creating lasting value and maximizing investor benefits.

Investor Relations Activities in 2024

QUARTER I

- Disclosure of the audited 2023 Financial Statements
- Disclosure of the 2023 Annual Report
- Participation in Vietnam Access Day – organized by Vietcap Securities Joint Stock Company

QUARTER II

- 2024 Annual General Meeting of Shareholders
- Meetings with Investment Funds

QUARTER III

- Meetings with over 30 domestic and international investors – VietCap Insight Tour

QUARTER IV

- 2024 Extraordinary General Meeting of Shareholders
- Developing an Investor Relations website on a modern technology platform.



CHAPTER 2

LEAN

FOR EFFICIENT LEADERSHIP
AND OPERATIONAL EXCELLENCE

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LEAN

FOR

EFFICIENT LEADERSHIP AND OPERATIONAL EXCELLENCE

In 2024, in response to the Party and Government's policy of streamlining the organizational apparatus, LPBank proactively accelerated reform and organizational restructuring to enhance operational efficiency and competitiveness. After a thorough study and evaluation process, on December 16, 2024, LPBank implemented a significant transformation in its organizational structure, reducing the number of Divisions from 17 to 8. These core business Divisions were reorganized in a scientific manner to optimize operational effectiveness. This was not only a strategic decision but also a crucial foundation for enhancing the Bank's competitiveness in the coming years.

Alongside the organizational model change, LPBank also focused on the human factor. Each employee member has proactively improved their personal capabilities - becoming more creative, versatile, continuously learning, and applying technology and artificial intelligence in daily tasks. This spirit of innovation has helped the Bank optimize work efficiency, improve service quality, and deliver tangible value to customers.

All these efforts aim to build a flexible and standardized system capable of adapting to market fluctuations. By tightly integrating a streamlined structure, advanced technology, and a modern governance model, LPBank aspires to lead in operational efficiency, continuously increase labor productivity, minimize costs, and enhance value for customers.

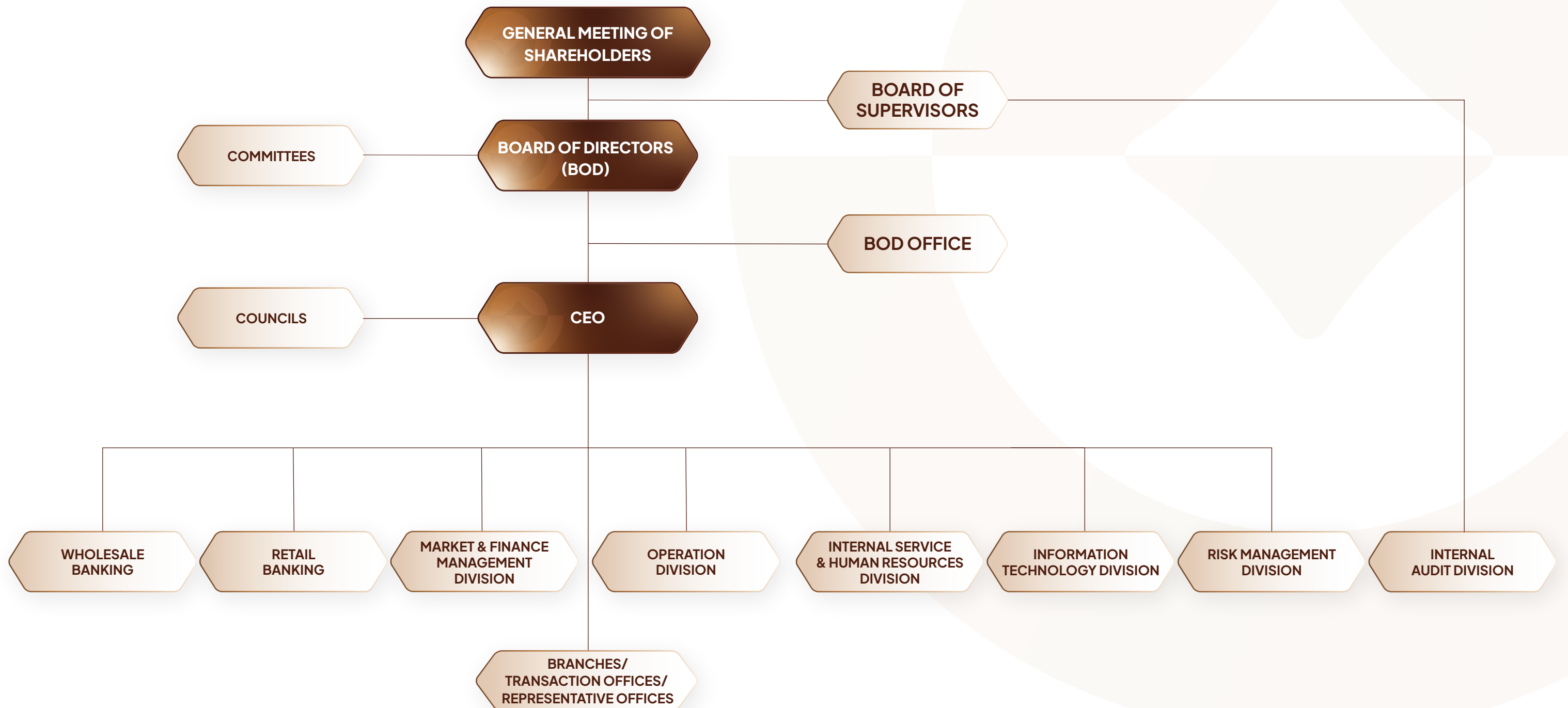


LEAN ORGANIZATIONAL STRUCTURE

Governance model: LPBank is organized, managed and operated according to the model: The General Meeting of Shareholders, the Board of Directors, the Board of Supervisors and Chief Executive Officer.

As of December 31, 2024, LPBank's organizational structure includes 8 Divisions, specifically:

Subsidiaries and affiliated companies: None



BUSINESS RESULTS

Financial situation

Financial indicators	Unit	2023	2024	% +/-
1. Capital size				
Equity	VND billion	34,117	43,338	27.03
In which: Charter capital	VND billion	25,576	25,576	0.00
Total Assets	VND billion	382,863	508,330	32.77
Asset Turnover (Net Revenue/Average Total Assets)	%	4.40	4.47	0.08
Capital Adequacy Ratio CAR**	%	12.24	13.33	1.09
2. Business results				
Deposits of economic organizations and individuals	VND billion	237,392	283,172	19.28
Total outstanding loans	VND billion	275,453	331,606	20.39
Revenue	VND billion	38,809	40,749	5.00
Operating profit before provision	VND billion	9,865	14,122	43.15
Taxes and payables	VND billion	1,010	706	-30.10
Net interest income	VND billion	11,203	15,394	37.41
Profit before tax	VND billion	7,039	12,168	72.87
Profit after tax	VND billion	5,572	9,721	74.46
ROE (Profit after tax/Average equity)	%	19.16	25.10	5.94
Ratio of Profit after tax/Net revenue	%	35.66	48.77	13.11
ROA (Profit after tax/Average total assets)	%	1.57	2.18	0.61
Provision	VND billion	2,826	1,954	-30.86
NPL	%	1.34	1.57	0.23
EPS	VND/ share	1,974	3,254	64.84
3. Liquidity*				
Liquidity reserve ratio (>=10%)	%	14.62	17.31	2.69
Payment ratio 30D VND (>=50%)	%	90.03	74.68	-15.35

LPBank had an exceptionally successful year in 2024, recording the highest profit in its history. This result reflects the Bank's sharp vision, well-defined business strategy, and flexible adaptability amid a volatile economic environment, contributing to the successful fulfillment of the business targets assigned by the General Meeting of Shareholders.

BUSINESS RESULTS

KEY FACTORS CONTRIBUTING TO LPBANK'S SUCCESS OVER THE PAST YEAR INCLUDE



Increased net interest income



LPBank regularly reviewed and diversified its credit product portfolio, focusing on customers with strong repayment capacity and on sectors with sustainable growth potential such as technology and green energy. At the same time, the Bank flexibly adjusted lending interest rates in accordance with market developments and the characteristics of each customer segment to maximize profits.

Strong development of service segments to boost fee income



LPBank continuously diversified its products and services while enhancing customer service quality by implementing promotional programs and preferential policies for customers.

Effective risk management



The Bank deployed efficient risk management measures, helping to minimize the negative impacts of market fluctuations.

Operational cost optimization



LPBank applied digital technology to automate manual processes, reduce errors, and speed up processing times. Additionally, the Bank regularly reviewed and assessed existing processes to identify inefficiencies and propose improvement solutions, thereby increasing labor productivity and contributing positively to the Bank's overall success.

TOTAL ASSETS

VND **508,330** billion

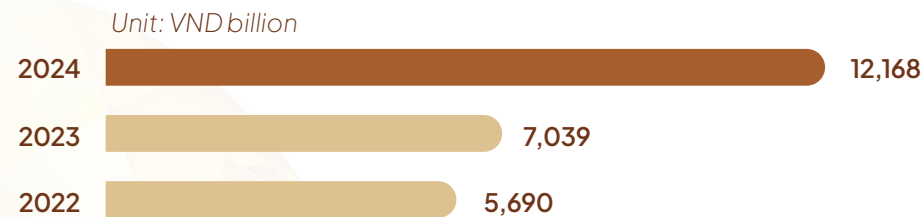


▲ **33%**
COMPARED TO 2023

In 2024, LPBank continued to expand its total assets compared to the previous year, maintaining its position among the banks with the largest asset scale in the industry. The Bank implemented various business activities and diversified its range of services, thereby attracting new customers and laying a solid foundation for credit growth and capital mobilization throughout the year.

PROFIT BEFORE TAX

VND **12,168** billion

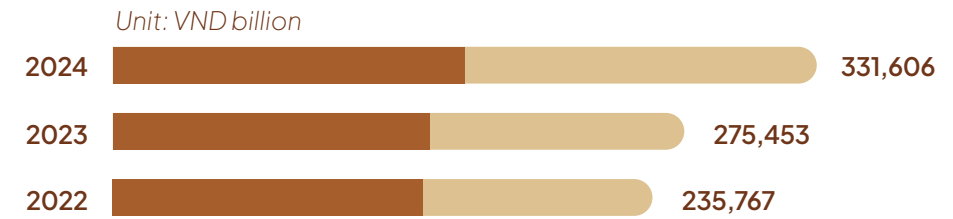


▲ **73%**
COMPARED TO 2023

LPBank recorded an impressive pre-tax profit of VND 12,168 billion in 2024, significantly exceeding the VND 10,500 billion target approved by the General Meeting of Shareholders. Despite facing numerous economic challenges during the year, the Bank leveraged its extensive nationwide network and implemented a comprehensive and flexible set of business solutions to increase income and effectively manage costs, thereby contributing to the successful achievement of its business plan. LPBank's profitability indicators also showed strong performance, with ROAA and ROAE reaching 2.18% and 25.1%, respectively—an increase of 0.61% and 5.94% compared to the previous year. With these results, LPBank ranked among the top banks in the industry in terms of ROAA and ROAE, significantly outperforming the sector averages of 1.65% and 18.07%, respectively. The Net Interest Margin (NIM) also improved substantially, rising from 3.24% in 2023 to 3.53% in 2024, thanks to more efficient capital utilization. Meanwhile, the Cost-to-Income Ratio (CIR) dropped sharply from 36.86% to 29.15%, demonstrating the Bank's strong commitment to cost control and operational efficiency enhancement.

LENDING

VND **331,606** billion



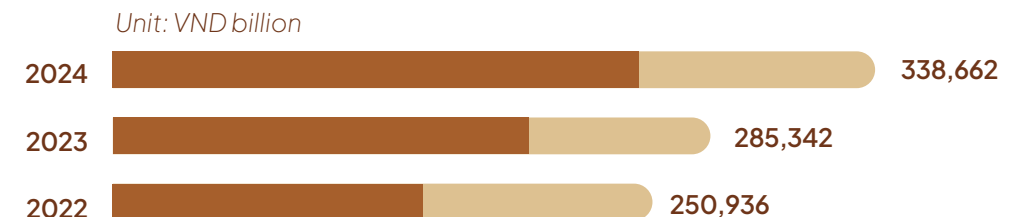
■ IC ■ CC

▲ **20.39%**
COMPARED TO 2023

Total outstanding credit reached VND 331,606 billion, marking a growth of 20.39% compared to 2023, within the credit limit approved by the State Bank of Vietnam. This impressive growth reflects a year of effective and positive business performance for LPBank. In line with the directives of the Government and the State Bank, LPBank in 2024 proactively allocated capital to priority sectors such as agriculture, rural development, high technology, and production-business activities, with the aim of promoting economic recovery and sustainable development.

CAPITAL MOBILIZATION

VND **338,662** billion



■ IC ■ CC

▲ **19%**
COMPARED TO 2023

Continuing its steady growth momentum, LPBank's total capital mobilization in non-interbank market reached VND 338,662 billion by the end of 2024, an increase of 19% over the previous year, creating a solid foundation for credit activities. Focusing on developing the retail segment, LPBank has mobilized 61% of total deposits from individual customers, demonstrating the right choice in business strategy. In the coming time, in addition to continuing to consolidate its position in the retail sector, LPBank will diversify its capital mobilization sources through bond issuance and attracting capital from international financial institutions, to ensure stable and sustainable capital sources for business operations.

RETAIL BANKING



2024 - A challenging year, but also one marked by many bright spots in the business performance of LPBank's Retail Banking segment. Under the insightful leadership of the Board of Directors and Executive Management, along with the dedication of employee from Headquarters to business units, the Retail Banking successfully achieved key targets. More than 1 million new customers were acquired, deposits from individual customers in Tier 1 increased by nearly VND 30,000 billion, and personal lending grew by VND 16,853 billion. In particular, the Credit Card segment reached nearly 44,000 newly issued cards and collected insurance fees, money transfers, foreign currency trading and account services reached nearly VND 1,000 billion. The implementation of the Retail Banking Regional Director model demonstrated clear effectiveness in sales management. The role of Regional Directors significantly improved the execution of policies from Headquarters to business units, while also providing timely and in-depth insights into actual business issues in each locality. This enabled Headquarters to promptly devise solutions, ensuring smooth and uninterrupted business operations.

Diversify products according to each customer segment

The implementation of products tailored to specific customer segments has become increasingly distinct. Several solutions launched in 2024 demonstrated breakthroughs compared to the market, better meeting customer needs across different segments, such as: Lộc Phát Auto-earning product, JCB Ultimate Card, Medium and long-term mortgage loans, Đại Cát - Lộc Phát business combo, and comprehensive financial solutions for public administrative officers and armed forces personnel, etc.

The prestigious "Outstanding Payment Volume YoY Growth 2024" award

In 2024, LPBank will promote its digitalization strategy with many new products on digital channels, including redesigned mobile app interface, iName service, and online lucky money, fortune number account, etc. These efforts delivered impressive results: nearly 1 million new app users, 86 new product features launched, 93.4 million transactions with a total value of over VND 998 trillion.

Among the core tasks of the Division, selecting a business strategy based on deep customer insight across segments is a fundamental element. This serves as the foundation for implementing appropriate business models to realize the vision set by the Board of Directors. Notably, in pursuit of the strategic goal of becoming a Top 5 priority banking service provider in major urban areas by 2028, LPBank has gradually refined and improved its Priority customer business model. In the fourth quarter of 2024, the Retail Banking Division simultaneously issued two important regulations on classification and privileges for priority customers. This marked a significant milestone and laid the groundwork for the official launch of a dedicated brand identity for LPBank Priority customers – a move aimed at strengthening brand presence and reaffirming the Bank's commitment to exceptional service for this key segment.

The Retail Banking actively implemented various payment solutions to meet customers' daily transaction needs and achieved encouraging results. In particular, improvements in card issuance speed, along with a series of attractive promotional programs, significantly boosted spending in the final months of the year. This effort was recognized with the prestigious "Outstanding Payment Volume YoY Growth 2024" award from VISA, honoring LPBank as the bank with the most impressive transaction volume growth in 2024, reaffirming its solid position in the card payment segment. Despite facing numerous difficulties and challenges, the international remittance segment still achieved an impressive three-digit profit of VND 119 billion, thanks to widespread product communication campaigns featuring well-known industry KOLs and strategic partner engagement programs. Notably, seminars such as 'Fulfilling the Study Abroad Dream with LPBank' and 'The U.S. Scholarship Hunter' were key highlights in the series of international remittance business activities in 2024.



For the Post Office channel, in addition to traditional deposit products and loan offerings for car purchases, real estate, and consumer needs, the Pension Credit product continued to play a key role, supported by vibrant emulation programs across eight business regions. Also in 2024, LPBank and Vietnam Post took the lead in promoting digital transformation by facilitating cashless payment solutions for social welfare beneficiaries, contributing to the effective implementation of the Government's Project 06.

In particular, in the final 6-month sprint, the Retail Banking has made efforts to provide comprehensive financial solution combos, suitable for each target customer group, from social security beneficiaries, small traders, business households to state budget salary earners. With each solution package, LPBank analyzes the profile of the target customer to understand their needs, thereby "tailoring" the product in the most accurate and suitable way.

In addition, preferential credit packages in 2024 were also deployed simultaneously, not only helping LPBank expand its market share in localities but also helping customers reduce interest costs and stabilize business operations. In particular, LPBank has accompanied customers to overcome difficulties after the storm No.3 with a policy of reducing interest rates and restructuring debt repayment terms for tens of thousands of customers.



Lean organizational model to improve operational efficiency from 2025

The Retail Banking (RB) was established based on the restructuring of the Retail Division and Digital Banking Division. The lean model is designed according to the 4-axis principle: Customer-centric business management – Product and solution design – Channel sales management and enablement – Operational efficiency and compliance management. In terms of structure, Retail Banking (RB) consists of 7 departments and 24 specialized functional units.



Two new departments were established: Segmentation Department and Priority Customer Service Department with the important task of identifying specific and accurate Customer segments in order to develop appropriate marketing strategies, develop Priority Customers, manage quality, and experience with each segment to optimize business efficiency; The Partner Development and Sales Channel Management Department is responsible for developing and planning the sales network and channel management according to the RB strategy 2025 - 2028. The departments: Product Development and Financial Solutions Department, Science and Technology Sales Promotion Department, Digital banking & Card Business Department, Insurance Business Department, Sales Performance Management and Business Support Department are restructured based on the old model centers and departments. The RB's Marketing function is transferred to the Marketing and Communications Department under the Governance Office to centralize Marketing operations and synchronize brand advertising communication and product promotion to Customers.

The lean of the operating model has brought positive results in improving the labor productivity of employee, specializing in operations, and shifting business activities towards a customer-centric orientation. This is the foundation for changing product design thinking, sales thinking, and customer service thinking.

2025 promises breakthrough changes, aspirations to strive towards the goal of becoming the No.1 position in Retail Banking in rural areas and Class-II cities on a digital platform as well as the TOP 5 Priority Banking Services in large cities. Retail Banking pledges to stand united and work hand in hand with the Business Units. to innovate and make breakthroughs, contributing to the strong development of the LPBank Common Home.

WHOLESALE BANKING (WB)



In 2024, LPBank’s Wholesale Banking (WB) has achieved outstanding achievements, affirming its core role in the Bank’s comprehensive development strategy. Based on the correct strategy of the Board of Directors, the Board of management and the solidarity and creativity of employee, WB has continuously innovated and optimized financial solutions, bringing practical value to Customers and actively contributing to the sustainable development of LPBank..

WB’s strategic positioning at LPBank

WB is positioned as a pioneering ecosystem in providing flexible financial solutions to each segment, meeting the diverse needs of corporate customers.

This strategy is built on 4 core principles:

- 1

Understanding core business activities and customer needs

LPBank constantly researches and deeply understands each customer segment, from SMEs to large corporations and FDI enterprises.
- 2

Identifying potential opportunities

Leverage data and market analytics to capture business trends and enable growth opportunities for customers.
- 3

Building companion solution packages

Providing optimal financial products and services, tailored to the needs of each customer group.
- 4

Demonstrating appropriate capacity

Ensuring efficiency through speed, flexibility and quality in all services.

Outstanding results in 2024

In the context of a competitive and constantly innovative financial market, leaning the organization has helped LPBank improve team performance, optimize work processes, and increase flexibility in serving Corporate Customers.

ABOUT THE MANAGEMENT REPORTING SYSTEM

WB has deployed a management method through Dashboard systems to enhance the ability to plan data quickly and intuitively, optimize resources, and improve the speed of timely and effective decision making. In the period of 2024–2025, WB’s management reporting system will analyze data in 4 dimensions: Finance, Customers, Processes and Training and Development, while enriching data from internal and external sources, applying AI to analyze in-depth customer objects, score potential, forecast demand and market trends, and promptly warn of risks.

ABOUT BUSINESS ACTIVITIES

1. Finance

Outstanding loan balance: VND 191,418 billion.

The total mobilized capital: VND 81,881 billion.

2. Customer

LPBank’s start to attract FDI customers from many countries, including Taiwan, Korea, and China, is a strong affirmation in expanding its customer base and building LPBank’s prestigious image in the international market.

79 WB Centers across provinces and cities and 2 big WB Centers in Hanoi and Ho Chi Minh City are designed to fully serve all customer segments from SMEs to large enterprises.

The number of new customers will increase by 16% on the basis of existing customers in 2023, with the rate of active customers increasing by 148% compared to 2023.

Strengthening the financial ecosystem and connecting the business community through typical cooperation agreements with major partners, including:

- Partnered with Viettel Digital to keep pace with the Open Banking trend, launching a convenient online savings feature directly on the Viettel Money app;
- Established a comprehensive partnership with Vietnam National University – Ho Chi Minh City, supporting students through educational and career orientation activities, contributing to the development of a high-quality workforce in the Finance – Banking sector;
- Formed a strategic collaboration with Med Group JSC, providing cash flow management and digital banking services on their online medical appointment platform;
- Entered into a comprehensive partnership with FPT Corporation to promote business development and enhance shared value through financial solutions, digital transformation technologies, corporate governance, and human resource training;
- Collaborated with Ninh Binh Province in the development of projects in finance and banking, trade, tourism, and sports, contributing to the promotion of Ninh Binh’s brand value in tourism, cultural industries, economy, and heritage across the country.



3. Products

In 2024, WB has brought superior financial solutions to serve each customer segment.

For SMEs: Focus on flexible credit product packages, helping customers maintain essential working capital and ensure smooth business operations:

- Super fast financing products with approval speed within 8 hours.
- Super fast car loan products, construction loans, meeting the increasingly diverse financial needs of businesses.
- Financing package of VND 6,000 billion to corporate customers with preferential interest rates for short-term business loans for businesses
- Financing package of VND 5,000 billion with preferential interest rates exclusively for import-export corporates.
- Timely implementation of solutions to support customers in difficult situations such as: accompanying businesses affected by typhoon Yagi, implementing special preferential interest rate policies for SME customers

For large-scale corporates (LCs): increase value for Customers through cash flow management and optimization solutions, financing packages to improve financial structure, and expand cooperation with partners in the Customer’s supply chain, specifically:

- Financing factoring for LC’s supplier and distributor systems operating in the fields of retail, manufacturing, trade and services...
- Providing corporate bond investment solutions and underwriting corporate bond issuance guarantee in compliance with the amended regulations of the Securities Law.

4. Technology

- Develop partnerships with accounting software providers to develop digital banking services integrated with payment solutions, helping Customers operate sales systems and manage finances seamlessly.
- Launch the LPBank Biz financial management application for businesses, helping to optimize financial activities, manage cash flow and connect transactions more easily for corporate customers.



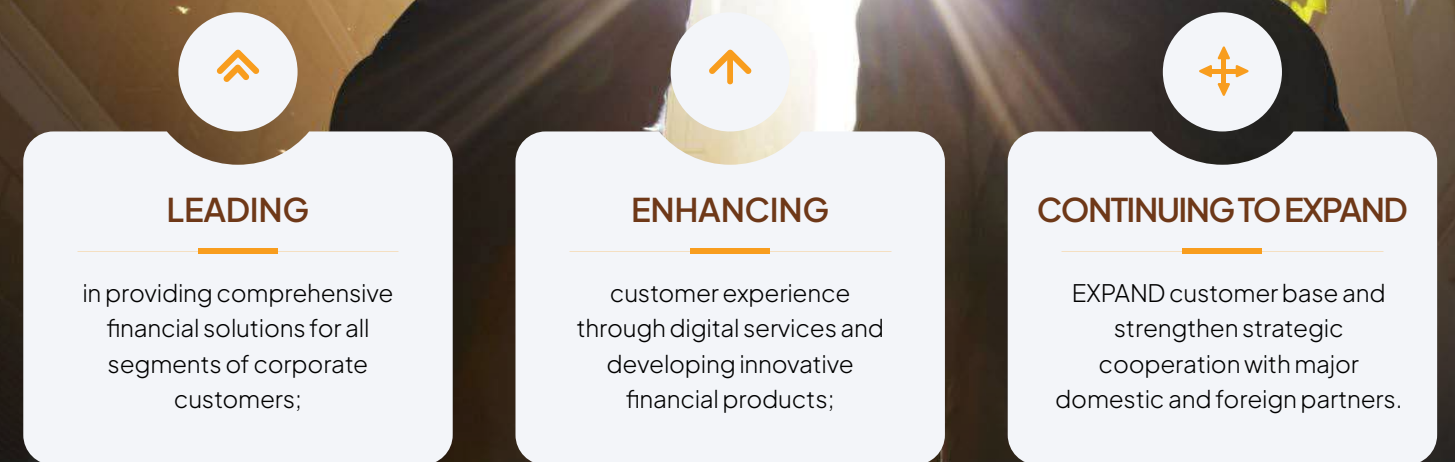
5. Training

WB has organized more than 50 intensive training sessions to help improve knowledge, capacity, and soft skills for its employee, focusing on:

- **Product knowledge** from digital payment solutions, cash flow management, credit, trade finance... to business promotion programs to train employee on the features and benefits of products and services, improve customer consulting capacity;
- **Professional sales skills** help the sales team understand customer needs, identify and provide appropriate solutions, thereby building trust and maintaining sustainable relationships with customers;
- **Digital transformation thinking** helps employee quickly adapt to technology trends in the banking sector, deploy online services on digital platforms to improve customer experience while helping the organization maintain competitiveness in the modern market.
- **Improve the competency framework of the next generation**, equip managers with effective work management skills, understand and implement the strategic vision of the Board of Directors to promote development towards LPBank's long-term goals.



VISION 2025



The year 2024 has ended with proud achievements, creating a solid foundation for WB to continue conquering new heights. We are committed to always accompanying businesses, providing effective financial solutions and bringing sustainable value to Customers.

MARKET AND FINANCIAL MANAGEMENT

Currency trading activities

In the context of the State Bank of Vietnam operating a very flexible monetary policy to respond to fluctuations in the domestic and global economies, the interest rate level in the money market in Vietnam is under great pressure and remains higher than expected at the end of 2023. Faced with the above situation, LPBank has been flexible in using capital mobilization channels from market 1 and market 2 with the aim of meeting customers' capital needs, ensuring system liquidity at all times as well as absolute compliance with the regulations of the SBV and the Law. LPBank maintains its position as an active member in the interbank money market in 2024 with strong growth in transaction turnover.

Based on the achievements of 2024, in 2025, LPBank will continue to promote activities in the currency market, strengthen cooperation with partners to enhance LPBank's image in the domestic and international financial markets.

Foreign exchange and derivatives trading

2024 witnessed many difficulties in the foreign exchange market in the context of strong and unpredictable fluctuations in exchange rates and interest rates. However, LPBank still maintained positive cumulative foreign exchange trading results. At the same time, in 2024, the Bank continued to expand interest rate derivative products with positive results when the portfolio maintained movements in line with market fluctuations.

In the interbank foreign exchange market, LPBank has always been an active member and one of the leading market makers. With impressive trading results in 2024, the Bank continued to receive O2/O2 prestigious awards for Foreign Exchange Swap Market Maker (FX SWAP) from the Vietnam Bond Market Association.

In 2024, the Bank has implemented many measures and programs to promote sales, support Business Units and Customers, closely follow international market developments to propose appropriate transaction options, suitable for flexible and diverse transaction needs of Customers, contributing to bringing profits from buying/selling foreign currencies in the segment of corporate and individual customers.

Stepping into 2025, the Bank continues to aim to ensure foreign currency liquidity of the entire system, closely monitor market developments to promptly advise and support Business Units and Customers, seek business opportunities that bring good profits to the Bank, and continue to affirm its pioneering and active role in the interbank foreign currency market.



Debt Securities Business

In the context of the volatile and challenging financial market in 2024, LPBank has proactively developed a strategy for issuing and investing in Valuable Papers with a long-term vision, helping to maintain financial stability, minimize risk factors and achieve sustainable growth goals.

In 2024, LPBank successfully issued VND 31,000 billion in Certificates of Deposit and nearly VND 6,000 billion in individual Bonds. This activity has contributed to diversifying capital mobilization forms and optimizing the bank's average capital mobilization cost. Regarding the issuance of bonds to the public, following the success in 2023, LPBank continues to implement the plan to issue bonds to the public in 2024. Valuable Papers issued by LPBank are allocated with diverse maturities from less than 01 year to 10 years.

Regarding investment activities, in 2024, LPBank will continue to proactively seize opportunities in the market to promote investment activities of Valuable Papers. The investment portfolio is built with careful consideration of maturities, interest rates and risk levels, and flexibly adjusted to adapt to fluctuations in the financial market. With a flexible and diversified investment strategy, as of December 31, 2024, LPBank's total investment portfolio of Valuable Papers issued by domestic credit institutions (excluding government-guaranteed bonds) reached over VND 21,000 billion. This success will create momentum for strong growth in 2025, contributing to enhancing LPBank's competitive position in the market.

DIGITAL TRANSFORMATION

0101

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64	Digital transformation journey
65	Investment and implementation of key projects
68	Investment in Technology

ACHIEVEMENT OF DIGITAL TRANSFORMATION

With the motto “Customer-Centric”, LPBank has continuously invested in digital transformation and technology development to deliver an exceptional customer experience. In 2024, the Bank achieved numerous outstanding milestones, affirming its pioneering position in the field of financial technology.

01

One of LPBank’s most significant milestones in 2024 was the successful implementation of the T24 CoreBanking system. The project was not only heavily and professionally invested in, but also stood out for its decisive and highly efficient execution, with tightly controlled transformation processes. After just seven months of deployment, LPBank successfully launched the T24 CoreBanking system into stable operation. In recognition of this achievement, on May 22, 2024, Temenos honored LPBank as the Fastest CoreBanking Implementation Bank in Asia. Completing the rollout in record time highlighted LPBank’s outstanding technological capabilities and further strengthened its competitive position in the market.

02

Moreover, LPBank also made its mark by launching the Kondor Treasury system at the fastest pace in the Asia-Pacific region. Kondor Treasury Front to Back is one of the most advanced trading systems, enabling banks to execute high-volume transactions quickly and accurately in treasury operations. Thanks to its flexibility, the system also supports trading of derivative products and more complex structured transactions. This was one of LPBank’s key trading system implementations in 2024, significantly contributing to the Bank’s goal of digitizing its treasury operations.

03

In addition to its achievements in core systems, 2024 also marked a major transformation of LPBank’s digital banking application. With a completely redesigned interface, the app offers a smoother, more user-friendly experience while integrating a wide range of innovative features and breakthrough products. These enhancements not only increase convenience for customers but also reinforce LPBank’s position in the digital transformation race, creating a strong competitive edge in the financial and banking sector.

04

Continuing its journey of supporting businesses in digital transformation, on October 3, 2024, LPBank officially launched the LPBank Biz Digital Platform. This new digital banking platform was developed by LPBank based on the practical needs of businesses for an optimized management solution, offering flexible financial control, lean transaction processes, and savings in time and operational costs

These accomplishments once again affirm LPBank’s commitment to pioneering in technology adoption, delivering modern, secure, and convenient digital financial solutions to its customers.



DIGITAL TRANSFORMATION JOURNEY

Digital transformation is considered a key task with the orientation: (i) Synchronously and rapidly deploy projects that bring quick benefits; (ii) Invest resources in projects that bring long-term benefits, deploy projects to serve business development, digital solutions to improve customer service quality, and automate processes. Accelerating the progress of digital transformation will actively support business development, reduce costs, increase efficiency, and help LPBank comprehensively manage and improve service quality as well as customer experience.

In 2024, LPBank will continue to invest heavily in advanced technology, modern information systems, and optimize work processes. Thereby, the Bank will enhance its ability to proactively identify and respond to risks, enhance operational capabilities, and improve performance to provide better products and services to customers.

Strategy for the period 2025–2028: Making LPBank the leading Retail Bank in the market with the No.1 position in Retail Banking in rural areas and type 2 urban areas on a digital technology platform; TOP 5 priority banking services in large cities.



INVESTMENT AND IMPLEMENTATION OF KEY PROJECTS

In 2024, LPBank has implemented many key projects focusing on 04 Project Categories: (i) Customer Development; (ii) Lean Operations; (iii) Digital Transformation; (iv) Risk Management and Compliance:



Customer Development

Focus on growing target customer segments, expanding market share and improving customer experience:

- Build automatic profit-generating products: (i) Diversify the product and service portfolio, providing corporate and individual customers transacting at LPBank with safe products and flexible liquidity.
- Deploy Visa Token (Develop Virtual Card): Build and deploy the Card Virtualization Service system (Tokenization), integrate virtualized card information (Push Provisioning) into comprehensive Google Wallet and Apple Pay e-wallets.
- Retail Banking CRM: Build SalesApp application – Support Retail Banking employees in managing and promoting business activities.

Lean Operations

Increase operational efficiency, cut costs and optimize processes:

- BPM Lending Process for Individual Customers: Applying technology solutions to automate processes, helping the Bank master the system, flexibly adjusting to meet business requirements and goals at each stage.
- BPM International Payment: Applying technology solutions to automate processes: Reducing manual data entry for Business Units and Head Office thanks to the ability to integrate with systems (T24, Uniform, LPBiz...); supporting automatic source reporting, checking transfer limits and creating transfer orders...
- Centralized asset management of the entire line: Build a centralized asset management system, allowing detailed tracking of historical changes, performing inventory, and tracing the life cycle history of assets.

- Performance management: Develop a tool for assigning work and evaluating performance according to the Balanced Scorecard methodology, then apply it to all employees according to the Performance Regulations.
- Organizational management and recruitment management solutions: Investing in Organizational Management and Recruitment Management solutions to digitize and make transparent human resource processes, improve labor productivity, and reduce administrative work and data entry in recruitment.

Enhance Customer Experience

Promoting digitalization, automation and personalization in banking products and services, deploying software to upgrade service quality for Customers:

- Implement and comply with Decision 2345: According to the regulations of the State Bank of Vietnam, from July 1, 2024, Customers are required to authenticate biometrics when making online transactions on e-banking applications with an amount of VND 10 million/time or more. For transactions under VND 10 million/transaction, if the total transaction amount in a day reaches VND 20 million, from the next transaction in the day, Customers must also authenticate using biometrics.
- LPBank Biz Project: Building LPBank Biz application system for Corporate Customers.
- UI/UX Project: Optimizing product interface to enhance customer experience on LPBank digital banking application channel.
- Omnichannel Contact Center - Customer Service Hotline: LPBank has developed a next-generation intelligent contact center to replace the traditional system, aiming to enhance customer experience and improve agent productivity. The contact center utilizes IVR (Interactive Voice Response) technology, allowing customers to interact entirely via voice. The system automatically analyzes requests and routes them to the appropriate support department, thereby reducing wait times and significantly improving the overall customer experience.



Digitalization of Risk

APPLYING AI/ML FOR RISK FORECASTING AND EARLY RISK IDENTIFICATION

- Multidimensional Profit Analysis (MPA) System: Build a comprehensive Multidimensional Profit Analysis System with the following main functions: (i) Provide multidimensional profit reporting: Allocate costs from accounts, customers, products, sale employees, distribution channels, geographies and business models; (ii) Manage and measure performance consistently and effectively; (iii) Establish a unified framework; (iv) Measure in all areas, information requirements to build and maintain the reporting framework.
- Website Upgrade: Developing a new LPBank Website interface to enhance customer experience and standardize brand identity.

LPBank has been actively engaging with experienced solution providers to gradually develop and implement these technologies in its risk management activities:

- Utilizing Artificial Intelligence (AI) and Big Data Analytics: analyzing large volumes of customer and transaction data to detect early warning signs of risk, such as credit fluctuations, rising non-performing loan (NPL) ratios, or shifts in market trends.
- Machine Learning (ML) Models: forecasting potential risks by learning from historical data and current trends, applied to predicting customer default probability or identifying abnormal transactions.

RISK MANAGEMENT AND MONITORING

- Data Analytics Techniques: Utilizing data analytics to review transactions and customer behaviors to detect signs of violations related to Anti-Money Laundering (AML), Counter-Terrorism Financing (CFT), and other related regulations (software upgrade provided by Fico Tonbeller).
- Liquidity Monitoring System: Measuring and monitoring liquidity status and liquidity ratios using automated systems (within the scope of the ALM project).
- Automated Alert System: Most of LPBank's systems will be developed with this feature to manage key risks, including credit risk (LOS, BPM), market risk (Kondor), and fraud detection (within the scope of the Antifraud project).

RISK MONITORING AND REPORTING

- After the success of the T24 project, numerous data governance and reporting system development projects (such as Datalake, Datawarehouse...) have been implemented to enrich and enhance the quality of reporting data.
- Dashboards and Visual Reports: The automated reporting system (dashboard) and visual reports on the bank's risk status are continuously improved, allowing the Bank's leadership to easily monitor and make informed decisions.

INVESTMENT IN TECHNOLOGY

With the motto of Customer-centricity, in the period of strong digital transformation, the Bank has continuously invested resources and people in software projects, infrastructure and information security. At the same time, LPBank also increased high-quality human resources for risk management, anti-corruption and crime prevention in the Bank. Specifically as follows:



INVEST IN UPGRADING AND EXPANDING SOLARWINDS SERVICE MONITORING SOLUTION

Upgrade and add new licenses and features and modules to ensure stable system operation and comprehensive coverage of the Bank's systems/ devices.

INVEST IN SOFTWARE AND SERVICES TO EVALUATE AND SCAN FOR POTENTIAL MALWARE IN THE SYSTEM

Deploy and install scanning software on especially important service systems that are at risk of losing money or information such as Ebanking, LPBank Biz, Core Banking, LPBank App, AD system, LIM authentication system. These systems will be scanned regularly, or when signs of violations are detected, they can be processed and re-scanned an unlimited number of times until completely fixed. In addition, the system can perform scanning on all computers to investigate and trace in case of suspected malware infection.

SECURITY CAMERA STORAGE SYSTEM AND ATM ATTACK PREVENTION SYSTEM

Invest in expanding the camera storage system and ATM attack prevention system to prevent crimes such as vandalism, theft by welding or cutting or using illegal ATM relocation equipment.

INVEST IN COMPREHENSIVE SERVER SECURITY SOLUTIONS IN THE DATA CENTER AND UPGRADE THE LICENSE TO USE THE FORCEPOINT V5000 CENTRALIZED INTERNET SYSTEM

Complete the security system, enhance defense capabilities against security threats, ensure compliance with Circular 09/2020/TT-NHNN and meet international standards on PCI-DSS security.





ACHIEVE PCI-DSS CARD SYSTEM SECURITY STANDARD CERTIFICATION

PCI-DSS security standard helps ensure the security of payment card data when processed and stored at banks and electronic payment businesses. PCI-DSS compliance helps improve the level of card information security according to international standards, applied globally.

OBTAIN CSP SECURITY STANDARD CERTIFICATION FOR SWIFT SYSTEM

Strengthens the Bank's network security, reduces fraud in international transactions, protects user data and enhances the Bank's reputation. CSP certification also helps to enhance short-term security, increase physical security and reduce potential risks in international transactions.

DATA WAREHOUSE PROJECT

Building a data warehouse, centralized data storage system.

PENTEST PROJECT

Deploying penetration testing and vulnerability scanning to improve the security of the Bank's critical systems as well as disseminate experiences and raise security awareness among employees.

ANTI-MONEY LAUNDERING PROJECT

Scanning transactions and scanning payment emails to Manage and analyze warnings and suspicious transactions on the system.

PROCESS IMPROVEMENT

Complete and issue a set of documents (regulations, procedures, rules...) on information security, ensuring compliance with Circular 09/2020/TT-NHNN of the State Bank of Vietnam on information system security in banking activities; Implement international standards on information security in accordance with Vietnamese law.

INTERNAL TRAINING

Implement a training program to raise awareness of Information Security for all bank employees; Organize specialized training courses on compliance and maintenance of PCI-DSS security standards certified by the Security Standards Council.



CHAPTER 4

SUSTAINABILITY DEVELOPMENT

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PART 1

Banking management



BANKING MANAGEMENT

LPBank always complies with the regulations on corporate governance in the Enterprise Law, the Law on Credit Institutions, the Securities Law and other relevant regulations. The application and strict compliance with the regulations on corporate governance aims to enhance the Bank's governance efficiency and meet the safety ratios in the operations of credit institutions. At the same time, the Bank promotes the application of technology in governance, including a modern core banking system, a centralized data platform and advanced digital payment solutions.

LPBank's governance structure always aims for transparency and efficiency, ensuring the interests of customers and shareholders, thereby ensuring the sustainable development of LPBank.

As of December 31, 2024, LPBank's Board of Directors has 7 members, including 2 independent members. The members of the Board of Directors are all highly qualified personnel with many years of experience in the fields of banking and finance, and corporate governance. With clear orientation and strategy, LPBank's Board of Directors has directed the Board of Management and all employees to excellently complete the tasks approved by the General Meeting of Shareholders.

Introducing LPBank's Board of Directors for the term of 2023–2028

MR. NGUYEN DUC THUY

CHAIRMAN OF THE BOARD OF DIRECTORS

Year of birth: 1976

Joined the Board of Directors from: April 29, 2021

Education: Bachelor of Business Administration

Experience:

Mr. Nguyen Duc Thuy has been the Chairman of LPBank's Board of Directors since December 9, 2022. Previously, he served as Vice Chairman of LPBank's Board of Directors from May 2021 to December 2022. At the time of joining LPBank, he had 27 years of experience in business administration and finance.



THE BOARD OF DIRECTORS



MR. HO NAM TIEN

Permanent Vice Chairman of the Board of Directors

Year of birth: 1971

Joined the Board of Directors from: April 23, 2023

Education: Master of Finance - Banking

Experience:

Mr. Ho Nam Tien has been the Permanent Vice Chairman of LPBank's Board of Directors since October 4, 2024. Previously, he was the Vice Chairman of LPBank's Board of Directors from April 23, 2023 to October 4, 2024. He has 32 years of experience in the banking and finance sector, including 15 years at LPBank.



MR. NGUYEN VAN THUY

Vice Chairman of the Board of Directors

Year of birth: 1981

Joined the Board of Directors from: April 23, 2023

Education: Bachelor of Civil and Industrial Construction

Experience:

Mr. Nguyen Van Thuy has been Vice Chairman of LPBank since June 12, 2024. Previously, he was Permanent Vice Chairman of LPBank's Board of Directors from June 7, 2023 to June 11, 2024. Before joining LPBank, he had 16 years of experience in finance and business administration.



MR. BUI THAI HA

Vice Chairman of Board of Directors

Year of birth: 1976

Joined the Board of Directors from: April 23, 2023

Education: Master of Business Administration

Experience:

Mr. Bui Thai Ha has been Vice Chairman of LPBank's Board of Directors since April 23, 2023. He has 31 years of experience in the business administration and banking & finance sector, including nearly 14 years at LPBank.



MR. HUYNH NGOC HUY

Member of the Board of Directors – Person in charge of Bank administration

Year of birth: 1966

Joined the Board of Directors from: July 1, 2016

Education: Master of Finance

Experience:

Mr. Huynh Ngoc Huy has been a member of LPBank's Board of Directors since July 1, 2016. He has held the position of Chairman of LPBank's Board of Directors from December 2019 to December 2022 and Vice Chairman of LPBank's Board of Directors from December 2022 to April 2023. He has 18 years of experience in the fields of banking finance and business administration.



MR. PHAM PHU KHOI

Independent member of the Board of Directors

Year of birth: 1963

Joining the Board of Directors from: November 16, 2024

Education: Master of Business Administration

Experience:

Mr. Pham Phu Khoi has been an independent member of LPBank's Board of Directors since November 16, 2024. Before joining LPBank, he had 35 years of experience in finance and business administration. On February 7, 2025, he was elected Vice Chairman - Independent Member of LPBank's Board of Directors.



MS. VUONG THI HUYEN

Independent member of the Board of Directors

Year of birth: 1974

Joining the Board of Directors from: November 16, 2024

Education: Master of Business Administration

Experience:

Ms. Vuong Thi Huyen has been an independent member of the Board of Directors since November 16, 2024. Before joining LPBank, she had 30 years of experience in the banking and finance sector.

Position at other organizations:

Chairman of the Board of Directors and Chief Executive Officer of Fast Capital Solutions Joint Stock Company.

The Board of Directors' activities in 2024

In 2024, the Board of Directors (BOD) held 13 regular meetings and conducted thousands of meetings in the form of written consultations, issuing 1,444 resolutions and decisions within its authority. These provided strategic directions and served as a foundation for the Executive Board to implement specific business plans. The BOD clearly demonstrated its leadership role in reviewing and approving matters under its jurisdiction. All BOD members actively participated in overseeing the Bank's operations, contributing opinions and guidance during regular meetings with the Board of Management. Meeting materials were delivered to BOD members in accordance with the prescribed timeline.

The meetings focused on important tasks such as approving issues for business development, network expansion, implementing charter capital increase, approving decisions on key personnel, risk management strategies... thereby providing timely support to the Executive Board to realize the set business goals.

The members of the Board of Directors have been assigned specific tasks and have actively and wholeheartedly performed their assigned tasks, contributing to the success of the 2024 business results set by the General Meeting of Shareholders.

Each member of the Board of Directors has fully performed his/her responsibilities and duties according to the assigned decisions and regulations in the Charter, legal regulations and internal regulations of the Bank.

MEETINGS OF THE BOARD OF DIRECTORS (BOD)

No.	Member of the BOD	Number of BOD meetings attended	Rate of meeting attendance	Reason for absence
1	Mr. Nguyen Duc Thuy	13/13	100%	Full attendance
2	Mr. Le Minh Tam	11/11	100%	Full attendance from 01/01/2024 to 16/11/2024 (time of dismissal)
3	Mr. Ho Nam Tien	13/13	100%	Full attendance
4	Mr. Bui Thai Ha	13/13	100%	Full attendance
5	Mr. Nguyen Van Thuy	13/13	100%	Full attendance
6	Mr. Huynh Ngoc Huy	12/13	92,3%	Absent with valid reason
7	Mr. Le Hong Phong	11/11	100%	Full attendance from 01/01/2024 to 16/11/2024 (time of dismissal)
8	Mr. Pham Phu Khoi	2/2	100%	Full attendance from the date of appointment on 16/11/2024
9	Ms. Vuong Thi Huyen	2/2	100%	Full attendance from the date of appointment on 16/11/2024

MAIN CONTENT OF MEETINGS

OPERATIONAL SUPERVISION AND STRATEGIC ORIENTATION

The Board of Directors assigns members to supervise business operations in each segment ensuring risk management and appropriate development orientation for each stage.



STREAMLINING THE ORGANIZATION, IMPROVING OPERATIONAL EFFICIENCY

The Board of Directors directed the restructuring of the organizational model, reducing from 17 to 8 divisions, optimizing processes and improving labor productivity. At the same time, the Bank reviewed and standardized titles throughout the system to increase the effectiveness of human resource management.



ACCELERATING DIGITAL TRANSFORMATION

The Board of Directors promotes the automation of management reports and technology optimization to support business and enhance customer experience. The Bank also successfully completed the Core Banking transformation project creating a solid foundation for digital development.



ENSURING SAFETY AND COMPLETING BUSINESS PLANS

The Board of Directors flexibly directs and resolves difficulties to achieve set goals, controls bad debt ratios and fully complies with regulations on safety ratios of credit institutions and liquidity as required by the State Bank.



SUPERVISE AND SUPPORT BUSINESS OPERATIONS

The Board of Directors closely supervises each business unit, approves policies on products, services, and personnel, and creates favorable conditions for expanding market share and developing retail and corporate banking.



BANKING MANAGEMENT

Activities of independent members of the Board of Directors and results of independent members' assessment of the activities of the Board of Directors

Independent members of the Board of Directors have performed their duties in accordance with the provisions of law, the Charter and relevant regulations of the Bank:

Fully attended the meetings of the Board of Directors, the Risk Management Committee, the Human Resources Committee and provided full opinions on the issues approved at the meetings and the issues approved in the form of written opinions at the Boards/Committees they participated in.

Implemented the resolutions and decisions of the 2024 Annual General Meeting of Shareholders and according to the decision on assignment of tasks by the Board of Directors.

Completed their duties and powers in the roles and positions assigned by the Board of Directors, effectively supporting the Board of Directors in making timely decisions in the process of managing the bank's business operations.

Together with the members of the Board of Directors, directed, supervised and urged the Chief Executive Officer/Board of Management to complete the 2024 business plan approved by the 2024 General Meeting of Shareholders.

Perform the role, functions and tasks of an independent member of the Board of Directors in supervising the Chief Executive Officer in performing the tasks assigned by the Board of Directors.

Review and approve the issuance of internal regulations related to the organization, governance and business operations of LPBank under the authority of the Board of Directors.

Perform other tasks as assigned and directed by the Chairman of the Board of Directors.

Activities of Committees under the Board of Directors

In 2024, LPBank restructured the system of Committees under the Board of Directors (BOD) to improve governance efficiency. The Bank merged the Transformation Committee and the Strategy Committee into the Strategy Committee and dissolved the Investment Committee, helping to streamline the apparatus and focus on core tasks.

Currently, the Board of Directors' Committees include the Risk Management Committee, the Human resources Committee and the Strategy Committee. These Committees have been operating effectively, playing an important advisory role, helping the Board of Directors to perform its duties well in accordance with the law and providing timely support for business operations, risk management and the bank's development strategy.

The Risk Management Committee has proposed strict risk control measures to ensure safe and regulatory banking operations.

The Human Resources Committee focuses on developing human resource management policies, improving the quality of the leadership team, and advising the Board of Directors on strategies to streamline the apparatus, optimize the organizational structure, and improve labor productivity.

The Strategy Committee advises on long-term development plans, innovation, and digital transformation.

The Committees have properly and fully performed their functions and tasks as stipulated in the Regulations on Organization and Operation of the Committees issued by the Board of Directors, and have made many recommendations and proposals to the Board of Directors to advise the Board of Directors in decisions related to risk management, human resources, and the Bank's development strategy...



On November 16, 2024, LPBank's Extraordinary General Meeting of Shareholders elected two independent members to the Board of Directors: Mr. Pham Phu Khoi and Ms. Vuong Thi Huyen, with the aim of enhancing the governance and operational capacity of the Board.



BUSINESS STRATEGY

FOR THE PERIOD OF 2024 - 2028

Position LPBank as a leading retail bank in the market, aiming to become

- No.1 position in Retail Banking in rural areas and Class-II cities through a digital technology platform
- TOP 5 priority banking service providers in major urban centers



BUSINESS STRATEGY

“ With the outstanding results achieved in 2024, LPBank’s business activities have been laid a solid foundation for the following years. At the 2025 Business Conference, LPBank affirmed a strong determination: “Lean for efficient leadership and operational excellence” and aiming for higher goals, becoming one of the leading banks in Vietnam, the Board of Directors has set clear goals and breakthrough development strategies for 2025 as follows:

Financial: Scale growth and profit optimization to achieve goals

No.1 position in Retail Banking in rural areas and Class-II cities: LPBank aims to provide financial products and services that meet the needs of customers in these areas, contributing to promoting socio-economic development. LPBank continues to expand its branch network, especially focusing on rural and tie-2 urban to meet the needs of customers in the localities.

The Top 5 priority banking service providers in major urban centers: Enhance competitiveness to become one of the top choices of customers in major cities with high quality and diverse services.

Customers: Strong growth in both quality and quantity

LPBank has seen strong growth in the number of active customers, solidifying its position in the market. The focus is on expanding the product portfolio for each customer to better meet diverse needs, while also creating added value and providing a more convenient financial experience.

In addition, with the core value of putting customers at the center, LPBank has developed a culture of professional and dedicated service, continuously improving products and services to deliver comprehensive and convenient financial solutions for customers.

The process

Leaning processes: shortening decision-making time and processes to serve customers as quickly as possible.

Investing in and applying digital technology to support operations and enhance customer experience.

Training and human resource development

Human Resource Development: Focus on improving the material and spiritual well-being of employees by enhancing salary, bonus, benefits, and work environment. At the same time, implementing health care programs, mental support, and comprehensive welfare development to increase employee engagement and satisfaction.

Building a versatile and elite team: Strengthening training and skills development, both technical and soft skills, to build a workforce capable of taking on multiple roles and adapting flexibly to job demands. Priority is given to developing a workforce with high discipline, innovative thinking, and strong practical implementation skills, contributing to improved overall operational effectiveness of the unit.

LPBank always puts social responsibility first, constantly striving to build a strong banking brand, closely linked to community activities. LPBank believes that the sustainable development of the Bank goes hand in hand with the development of society.

With specific plans and high determination, LPBank is on the path of strong development and affirming its position in the market. The success of LPBank will contribute to the overall development of the Vietnamese economy.



THE BOARD OF SUPERVISORS (BOS)

Members of The Board of Supervisors (BOS) for the term of 2023–2028



MS. DUONG HOAI LIEN

Head of the BOS

Year of birth: 1981

Join the BOS since: April 23, 2023

Education: Master of Finance

Experience:

Ms. Duong Hoai Lien has been the Head of LPBank’s BOS since April 23, 2023. Previously, she held the role of an independent member of LPBank’s Board of Directors from April 2018 to April 2023. She has 20 years of experience in the banking and finance sector.



MR. TRAN THANH TUNG

Deputy Head of the BOS

Year of birth: 1967

Joined the BOS since: March 28, 2008

Education: Bachelor of Banking and Finance

Experience:

Mr. Tran Thanh Tung has been Deputy Head of LPBank’s BOS since April 23, 2023. He joined the BOS in March 2008 and was Head of LPBank’s BOS from April 2017 to April 2023. He has 32 years of experience in the field of accounting and banking finance.



MS. NGUYEN THI LAN ANH

Member of the BOS

Year of birth: 1958

Joined the BOS since: 28/3/2013

Education: Master of Economics

Experience:

Ms. Nguyen Thi Lan Anh has been a member of LPBank’s BOS since March 28, 2013. She has 29 years of experience in the field of tax and customs and 11 years of experience in the field of banking and finance.

Activities of BOS

LPBank’s BOS has performed well its independent supervisory role, ensuring that the bank operates transparently, strictly complies with legal regulations, LPBank’s Charter and resolutions of the General Meeting of Shareholders (GMS). In 2024, the BOS closely supervised the Board of Directors (BOD) and the Board of Management (BOM) in implementing strategies and policies, ensuring compliance with regulations and effectively implementing important decisions.

The BOS has conducted financial statement audits, monitored the financial status of the Bank, and ensured compliance with the limits and regulations on operational safety as required by the State Bank. At the same time, the Board of Supervisors also closely monitored internal audit work, assessed the quality of internal inspection and control to improve the effectiveness of risk management.

During its operations, the Supervisory Board has always maintained close coordination with the BOD, the BOM and other management levels, participating in regular meetings and important briefings. Full and timely access to information and documents on business operations has helped the BOS effectively perform its supervisory function, making valuable recommendations to strengthen control, minimize risks, and improve the quality and efficiency of operations.

As an important line of defense, the BOS has contributed to ensuring the sustainable development of LPBank, strengthening the trust of shareholders, customers and stakeholders, and affirming the Bank’s commitment to maintaining the highest standards of corporate governance.

Meetings of the BOS

In 2024, the BOS held 04 meetings with the full participation of the BOS members, and regularly collected written opinions, organized consultations and discussions to resolve/decide on contents and tasks within the functions and tasks of the Supervisory Board according to the provisions of law and the Bank. Details as follows:

No.	Members of the BOS	Number of BOS meetings attended	Rate of meeting attendance	Reason for absense
1	Ms. Duong Hoai Lien	4/4	100%	
2	Mr. Tran Thanh Tung	4/4	100%	
3	Ms. Nguyen Thi Lan Anh	4/4	100%	
4	Mr. Nguyen Phu Minh	1/2	50%	Dismissed from April 17, 2024

THE BOARD OF MANAGEMENT (BOM)



MR. VU QUOC KHANH
Chief Executive Officer (CEO)

Year of birth: 1981
 Joined the BOM since: September 23, 2011
 Education: Bachelor of Business Administration

Experience:
 On February 25, 2025, Mr. Vu Quoc Khanh was appointed by LPBank's Board of Directors as the CEO after being approved by the State Bank. Previously, he was Acting CEO from October 4, 2024. He has 23 years of experience in the banking and finance sector, including 17 years at LPBank.



MS. NGUYEN ANH VAN
Deputy CEO

Year of birth: 1972
 Joined the BOM since: May 20, 2010
 Education: Master of Finance - Banking

Experience:
 Ms. Nguyen Anh Van has been Deputy CEO of LPBank since May 20, 2010. She has 29 years of experience in holding the position of Capital Management at banks, including more than 17 years at LPBank.



MR. DOAN NGUYEN NGOC
Deputy CEO

Year of birth: 1975
 Joined the BOM since: April 24, 2023
 Education: Bachelor of Business Administration

Experience:
 Mr. Doan Nguyen Ngoc has been Deputy CEO of LPBank since April 24, 2023. He has 27 years of experience in the field of finance and banking.



MR. DANG CONG HOAN
Deputy CEO

Year of birth: 1977
 Joined the BOM since: December 16, 2024
 Education: PhD in Economics

Experience:
 Mr. Dang Cong Hoan has been Deputy CEO of LPBank since December 16, 2024. He has 24 years of experience in the field of finance and banking.



MS. VU NAM HUONG
Deputy CEO

Year of birth: 1983
 Joined the BOM since: March 20, 2024
 Education: Bachelor of Banking and Finance

Experience:
 Ms. Vu Nam Huong has been Deputy CEO of LPBank since March 20, 2024. She has 19 years of experience in the field of finance and banking.



MR. LUU DANH DUC
Deputy CEO

Year of birth: 1973
 Joined the BOM since: December 26, 2024
 Education: Master of Information Technology

Experience:
 Mr. Luu Danh Duc has been Deputy CEO of LPBank since December 26, 2024. He has 30 years of experience in finance, business administration and information technology.

MEMBERS OF THE BOM



MS. NGUYEN THI VUI

Member of the BOM

Year of birth: 1981

Joined the BOM since: April 24, 2023

Education: Bachelor of Accounting

Experience:

Ms. Nguyen Thi Vui has been a member of the BOM since June 12, 2024. She has 17 years of experience in finance and business administration.



MR. NGUYEN HOANG HAI

Member of the BOM

Year of birth: 1973

Joined the BOM since: January 7, 2025

Education: Master of Telecommunications

Experience:

Mr. Nguyen Hoang Hai has been a member of LPBank's BOM since January 7, 2025. Before joining LPBank, he had 28 years of experience in finance, business administration, and information technology.



MR. TRAN DUC DONG

Member of the BOM

Year of birth: 1982

Joined the BOM since: December 16, 2024

Education: Bachelor of Business Administration

Experience:

Mr. Tran Duc Dong has been a member of LPBank's BOM since December 16, 2024. He has 18 years of experience in the banking and finance sector.



MS. NGUYEN HONG NHUNG

Member of the BOM

Year of birth: 1983

Joined the BOM since: December 16, 2024

Education: Bachelor of Foreign Economics

Experience:

Ms. Nguyen Hong Nhung has been a member of LPBank's BOM since December 16, 2024. She has 17 years of experience in finance and business administration.



MR. NGO DUC THANG

Member of the BOM

Year of birth: 1985

Joined the BOM since: December 16, 2024

Education: Bachelor of Business Administration

Experience:

Mr. Ngo Duc Thang has been a member of LPBank's BOM since December 16, 2024. He has 16 years of experience in the banking and finance sector.

Transactions, remuneration and benefits of the Board of Directors (BOD), the Board of Management (BOM) and the Board of Supervisors (BOS)

Number and percentage of LPBank shares owned by insiders as of December 31, 2024

No	Full Name	Positions at LPBank	Number of shares	Ratio of share ownership
The Board of Directors (BOD)				
1	Mr. Nguyen Duc Thuy	Chairman of the BOD	70,713,015	2.76%
2	Mr. Ho Nam Tien	Permanent Vice Chairman of the BOD	681,997	0.03%
3	Mr. Nguyen Van Thuy	Vice Chairman of the BOD	0	0.00%
4	Mr. Bui Thai Ha	Vice Chairman of the BOD	1,235,713	0.05%
5	Mr. Pham Phu Khoi	Independent member of the BOD	0	0.00%
6	Mr. Huynh Ngoc Huy	Member of the BOD – Person in charge of Bank administration	732,896	0.03%
7	Ms. Vuong Thi Huyen	Independent member of the BOD	0	0.00%
The Board of Supervisors (BOS)				
1	Ms. Duong Hoai Lien	Head of the BOS	136,850	0.01%
2	Mr. Tran Thanh Tung	Deputy Head of the BOS	315,451	0.01%
3	Ms. Nguyen Thi Lan Anh	Member of the BOS	0	0.00%
Chief Executive Officer (CEO), Deputy CEO, Authorized person of Information Disclosure & Chief Accountant				
1	Mr. Vu Quoc Khanh	CEO	1,080,420	0.04%
2	Ms. Nguyen Anh Van	Deputy CEO	1,000,815	0.04%
3	Mr. Doan Nguyen Ngoc	Deputy CEO	0	0.00%
4	Ms. Vu Nam Huong	Deputy CEO	0	0.00%
5	Mr. Dang Cong Hoan	Deputy CEO	0	0.00%
6	Mr. Luu Danh Duc	Deputy CEO	0	0.00%
7	Mr. Nguyen Van Ngoc	Authorized person of Information Disclosure	0	0.00%
8	Mr. Nguyen Tien Cong	Chief Accountant	0	0.00%

^(*)Remuneration of the Board of Directors, the Board of Supervisors, the Board of Management - For details, see the expansion number 45 of the audited financial statements for 2024 on page 183 - 184

Share Trading of Insiders

No.	Transaction performer	Relations with Insiders	Number of shares owned at the beginning of the period		Number of shares owned at the end of the period		Reason +/- (buy, sell, convert, reward...)
			Number of shares	Rate %	Number of shares	Rate %	
1	Vu Quoc Khanh	CEO	1,280,420	0.05	1,080,420	0.04	Selling shares
2	Le Anh Tung	Deputy CEO (resigned on August 30, 2024)	952,355	0.037	0	0	Selling shares
3	Nguyen Van Ngoc	Authorized person of Information Disclosure	13,900	0.00054	0	0	Buying & selling shares
4	Bui Thai Binh	Younger brother of Mr. Bui Thai Ha - Vice Chairman of the BOD	186,466	0.007	0	0	Selling shares
5	Pham Van Chin	Brother-in-law of Ms. Nguyen Thi Lan Anh - Member of the BOS	24,096	0.000	7,033	0.000	Selling shares

Contracts or transactions with insiders

VND million

No.	Details of transactions	Transactions between LPBank and major shareholders	Transactions between LPBank and Insiders	Transactions between LPBank and Related Persons of Insiders
1	Deposits at LPBank (term & non-term)	779,126	24,788	483,914
2	Interest expense on deposits	58,614	1,594	32,171
3	Loan outstanding balance	-	845	14,938
4	Interest income	-	-	-
5	Credit card outstanding balance	-	1,490	1,170
6	Service income	-	-	-
7	Service operating costs	-	-	-
8	Other income	-	-	-
9	Other costs	-	-	-
10	BOD's remuneration after tax	-	7,200	-
11	BOS's remuneration after tax	-	2,618	-
12	BOM's remuneration after tax	-	9,434	-

RISK MANAGEMENT

Risk management: Foundation for sustainable development of LPBank

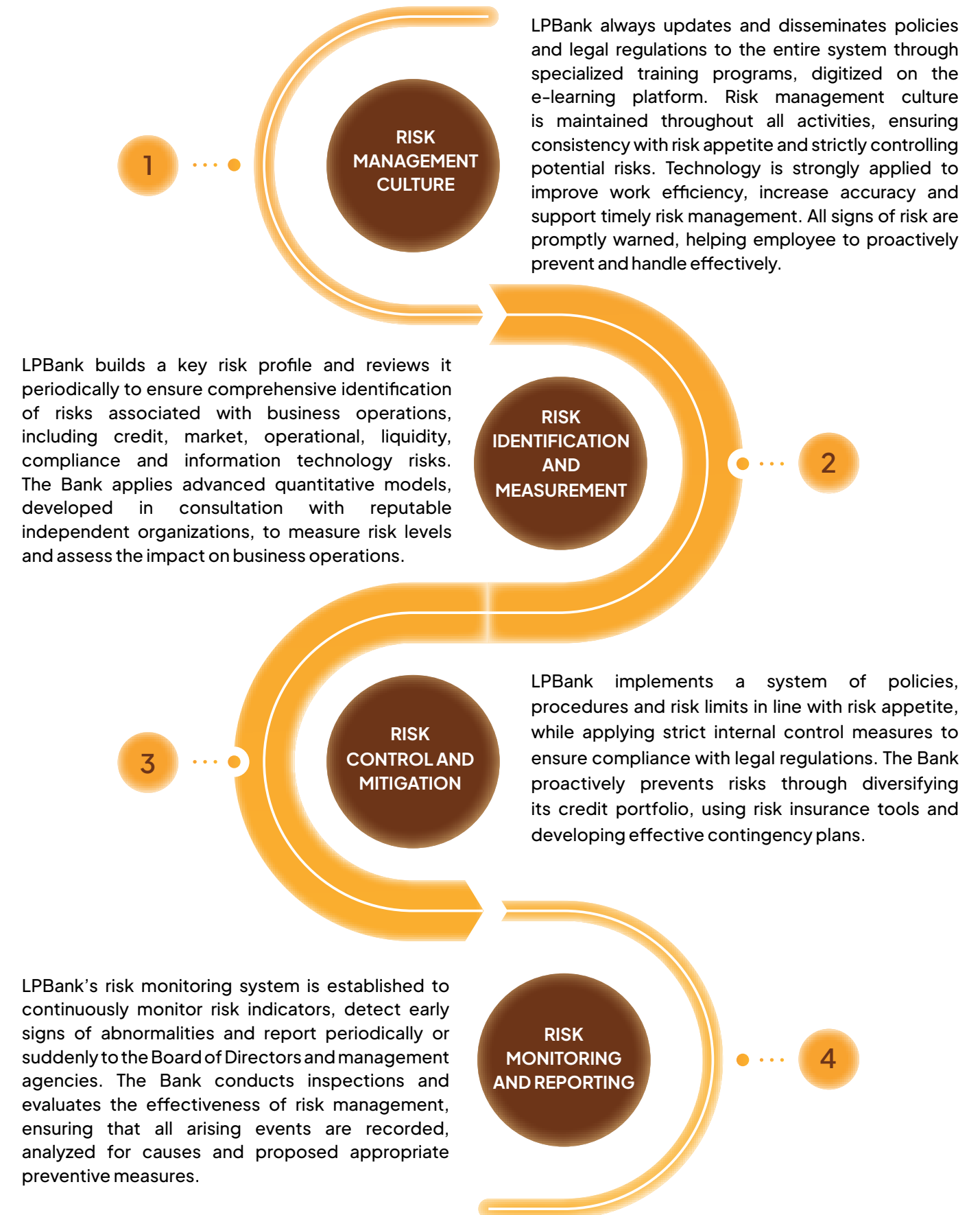
LPBank identifies risk management as a key pillar to ensure sustainable development. The Bank constantly improves its comprehensive risk management system, strictly adhering to international standards and regulations of the State Bank of Vietnam. Risk management always goes hand in hand with business activities, helping to effectively control key risks. Lean business processes towards “one-stop” operations, optimizing the process of monitoring and handling risks between units.

RISK MANAGEMENT MODEL OF THREE LINES OF DEFENSE



With a strict risk management system, LPBank continues to strengthen the foundation for sustainable development, protecting the benefits of customers, shareholders and stakeholders.

KEY PILLARS OF RISK MANAGEMENT AT LPBANK



RISK FACTORS

During its operations, LPBank must always be ready to face risk factors that affect business performance, financial stability and sustainable development. These risk factors can originate from external and internal factors of the Bank, including economic fluctuations, changes in financial policies and internal factors such as risk management, information technology and network security. In addition, it is impossible not to mention risk factors from the environment, natural disasters, epidemics, etc. Understanding and effectively managing these risks is an important factor that helps LPBank maintain stability and development in a volatile environment.

Credit Risk

LPBank strictly implements credit risk management from Head Office to Business Units (BUs), combined with investment in a modern risk management system. The Bank promotes centralized credit approval at Head Office, while maintaining flexible decentralization for BUs, ensuring initiative and independence in credit granting.

Credit risks are identified early, controlled and handled through a data analysis system and direct checks from three lines of defense. The credit risk early warning process (EWS) is implemented daily, closely coordinating between business and risk management divisions to detect and prevent in a timely manner. In addition, LPBank strengthens credit portfolio management, strictly controls limit and safety ratios, and continuously analyzes and forecasts fluctuations to adjust appropriate policies. Bad debt handling is focused on recovery measures, risk mitigation and credit quality improvement.

Operational risk

LPBank synchronously deploys operational risk management tools, including loss data collection (LDC), risk control self-assessment (RCSA), key risk indicators (KRIs) and Business Process Management (BPM). The internal document system is continuously reviewed and updated to ensure compliance and suitability with the new organizational model.

In addition, LPBank strengthens the Bank's protection against fraud risks by means of fraud insurance, and builds a BCP (business continuity plan) to ensure continuity in business operations in the event of force majeure. At the same time, the Bank improves its internal inspection and control processes to minimize risks arising during operations.



Market risk

LPBank's market risk management system strictly complies with the regulations of the State Bank of Vietnam and international standards. In 2024, the Bank completed the implementation of the capital transaction system (Kondor Treasury Front to Back) to improve market risk control capacity with a high level of automation, meeting large transaction needs and optimizing working efficiency with partners.

Market risk limits are fully set for each type of transaction and are integrated with real-time control on the Kondor system.

LPBank also uses risk prevention tools such as foreign currency derivatives and interest rate derivatives, and flexibly adjusts interest rate policies according to market developments and the State Bank's monetary policy, ensuring business efficiency and financial safety.

Interest rate risk on the bank book

LPBank applies a system of policies, processes and limits to identify, measure, monitor and control interest rate risks in accordance with the regulations of the State Bank and towards international standards such as Basel. The Bank conducts interest rate risk tolerance tests according to 8 scenarios of Basel III, helping to forecast and proactively develop plans to prevent impacts on interest income.

In 2024, LPBank completed preparations for the FTP-ALM project, aiming to automate interest rate risk management, improve control efficiency and support investment decision making. The project is expected to be implemented in 2025 to optimize asset and capital management.

Liquidity risk

LPBank maintains a tight liquidity management strategy, ensuring both capital safety and optimizing the efficiency of cash flow use. The Bank regularly forecasts and calculates liquidity needs, proactively arranging capital sources to meet payment requirements in all market conditions. At the same time, LPBank continues to strengthen its reputation with large depositors, while expanding capital mobilization from new customers, helping the mobilized balance maintain stable growth.

Liquidity management measures include diversifying the investment portfolio into highly liquid assets, forecasting withdrawal needs and ensuring strict compliance with safety ratios as prescribed by the State Bank. The liquidity risk management system is established with monitoring and early warning tools, ensuring that the Bank always has a contingency plan for adverse scenarios. The liquidity safety ratios as prescribed by the State Bank and internal regulations are closely monitored on a daily basis and internal warning thresholds are established to ensure early control of potential risks.

In addition, LPBank calculates and monitors liquidity ratios according to Basel III standards, including Liquidity Coverage Ratio (LCR) and Net Stable Funds Ratio (NSFR), orienting liquidity risk management capacity to gradually approach international standards. In 2025, LPBank aims to deploy an ALM system to further automate liquidity risk management and optimize asset and capital management efficiency.

IT risk

LPBank maintains a system of management, operation and protection of the information technology (IT) system according to strict procedures, periodically reviewed and updated according to international standards to ensure information security. The bank focuses on improving security standards, which have been recognized through a series of international certificates, and regularly organizes incident handling drills to ensure the continuity and stability of the system.

In the context of increasing cyber security risks, LPBank has established a special task force to respond to cyber security situations, coordinating with the State Bank, the Vietnam Information Security Association (VNISA) and relevant agencies to improve monitoring capacity. With the motto "Safety - Accuracy - Efficiency", LPBank continues to research, standardize and synchronously deploy processes to improve service quality, protect customer data and strengthen the bank's reputation.

Environmental risk, natural disasters, epidemics

Increased extreme weather events such as storms, floods, and droughts can impact the economy and customers' ability to repay their debts.

LPBank identifies and manages environmental, natural disaster and epidemic risks through close monitoring of the impact of climate change, environmental pollution and natural disaster factors on banking operations.

LPBank is one of the pioneers in implementing the environmental and social risk management project and has successfully implemented it in 2024, fully equipped with a capacity framework for environmental and social risk management according to advanced international standards.

Environmental compliance: Increasingly stringent regulations require banks to integrate ESG (Environmental - Social - Governance) factors into their lending activities. LPBank strictly adheres to these policies.

Financial risks from industries with negative impacts on the environment: The Bank is cautious in granting credit to unsustainable projects, especially in the resource exploitation and heavy industry sectors, to minimize long-term legal and financial risks. LPBank's internal policies also have a very strong message about not financing industries with negative impacts on the environment.

In addition, LPBank also proactively builds policies to support customers in the context of natural disasters and epidemics:

Economic downturn and loan demand: Banks closely monitor market fluctuations to adjust credit policies, limiting negative impacts from economic recession.

Debt repayment ability is affected: LPBank implements debt extension and interest rate reduction solutions to support customers to maintain operations.

Service disruption and increased operating costs: LPBank enhances its flexible operating capacity, ensuring continuous operations even in emergency situations, while optimizing operating costs to reduce financial impact.

By combining advanced risk management strategies with appropriate support policies, LPBank not only ensures operational safety but also accompanies customers, contributing to the sustainable development of the economy.

Risk of money laundering, terrorist financing, proliferation financing of weapons of mass destruction and sanctions

LPBank always adheres to the principle of respecting for the rule of law, ensures transparent banking operations, complies with regulations on anti-money laundering, anti-terrorism financing and anti-proliferation of weapons of mass destruction financing, as well as international sanctions.

The bank deploys solutions to closely monitor and control customers, partners and transactions to promptly identify unusual signs. At the same time, LPBank invests heavily in transaction scanning and customer identification technology, and uses advanced data analysis systems to detect and prevent potential risks.

LPBank focuses on the following key points: (i) Optimizing resources, focusing on high-risk areas to increase monitoring efficiency; (ii) Proactively responding, improving the ability to quickly respond to unexpected situations, minimizing damage; (iii) Enhancing transparency, ensuring all transactions fully comply with the regulations of the State Bank and international organizations.

With a comprehensive and proactive approach, LPBank not only ensures safe and compliant business operations, but also contributes to the overall efforts of the financial industry in preventing financial crimes and protecting the banking system.

The risk factors faced by LPBank are diverse and complex, ranging from external elements such as economic fluctuations, interest rates, and exchange rates to internal factors such as technology systems, internal policies, and human risk. In order to maintain stability and sustainable growth, LPBank has continuously strengthened its risk management system, developed appropriate preventive strategies, and maintained a solid financial foundation. Timely identification and response to these risks not only help LPBank protect the interests of its shareholders and customers but also contribute to the stable development of the national financial system.



PART 2

Green banking



LPBANK'S IMPRESSION ON THE JOURNEY OF SUSTAINABLE DEVELOPMENT

Management

LPBank always focuses on investing in technology and people, digitizing service processes, improving product quality and customer service, developing new services to anticipate market trends, thereby creating a solid foundation for continuing to enhance brand value.

Regarding credit strategy, with the goal of contributing to the community, the Bank focuses on developing credit in remote areas to help eliminate black credit, bringing safe and effective financial solutions to people.

Stepping into 2025, LPBank will continue to closely follow the orientation of the Government and the State Bank, strongly implementing solutions to improve operational efficiency, sustainable development, striving to excellently complete assigned tasks, actively contributing to the socio-economic development goals of the country.



Sustainable Finance

A series of programs to reduce lending interest rates and preferential packages for more than 100,000 customers, with a total disbursement of nearly VND 80,000 billion, have been implemented.

Agricultural and rural credit: With the policy of prioritizing loans to the agricultural sector, LPBank has improved the approval process, diversified products, and expanded credit to rural areas. Outstanding loans in this sector reached nearly VND 80,000 billion, accounting for 21.66% of the total outstanding loans of the whole Bank.

Total outstanding of green credit in 2024: VND 9,512 billion.

2024 marks the success of the cooperation opportunity between LPBank and ADB to deploy loans for female individual customers and women-owned enterprises with total disbursement turnover up to December 31, 2024: VND 3,301 billion. This is a clear demonstration of the recognition of LPBank's efforts to build an environmental and social credit portfolio.

Environment

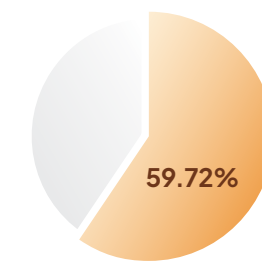
Reducing emissions at branches: Installing solar power systems at headquarters and major branches.

Implementing the Festival of National Tree Planting: LPBank has contributed to greening many places across the country by planting more than 3,000 trees of all kinds across the North, Central and South regions, planting forests, covering bare hills, greening schools from kindergarten to university, planting shade trees in squares, memorials to heroes and martyrs, historical sites, parks, hospitals, etc.

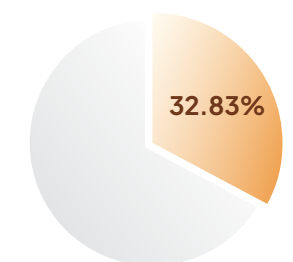
LPBank proactively reviewed and installed LED systems and motion sensors to help save electricity.

Social

There is no discriminatory policy at LPBank, all employees are respected and evaluated fairly and objectively based on their abilities.



Ratio of female employee/ total employees



Ratio of female managers/ total managers

Each employee over the whole bank participates in:



Total amount of funding for social and community activities

more than 400 billion VND

SUSTAINABLE DEVELOPMENT MANAGEMENT

Sustainable development management model at LPBank

THE BOARD OF DIRECTORS

The Board of Directors (BOD) is the highest governing body responsible to the General Meeting of Shareholders for the Bank’s ESG governance. It sets out the direction, strategy, and policies related to sustainable development and climate change response. Specifically, the BOD establishes strategic objectives and approves policies and orientations for sustainable development. At the same time, the BOD plays a supervisory role and provides direction to the CEO and relevant units in implementing sustainable development initiatives across the Bank.

STRATEGY COMMITTEE

The Strategy Committee plays a key role in advising, planning, building a roadmap and supervising the implementation of the Bank’s sustainable development strategy according to the goals set by the Board of Directors.

RISK MANAGEMENT COMMITTEE

The Risk Management Committee is responsible for advising the Board of Directors on the issuance of processes and policies under its authority related to ESG risk management in banking operations in accordance with the provisions of law and the Bank’s Charter; analyzing and issuing warnings on the Bank’s safety level against risks and potential risks that may affect and preventive measures for these ESG risks in the short and long term; at the same time, reviewing and evaluating the suitability and effectiveness of the Bank’s current risk management processes and policies to make recommendations and proposals to the Board of Directors on requirements for changes to current processes, policies, and operational strategies related to sustainable development.

HUMAN RESOURCES COMMITTEE

The Human Resources Committee plays an important role in advising the Board of Directors on managing and supervising the implementation of policies, regulations, and laws and regulations of the Bank on human resources work.

ESG EXPERT TEAM

LPBank established an ESG Expert Group consisting of personnel from different business units with the role of performing tasks related to sustainable development (Policy development, ESG indicators development and monitoring, implementing environmental and social risk management at LPBank, ...).

Data governance

INTRODUCTION TO DATA GOVERNANCE IN ESG STRATEGY

Data governance is an important factor contributing to sustainable corporate governance (Governance - G) within the ESG framework. At LPBank, data is not only a strategic asset but also a foundation to ensure transparency, accountability and compliance with legal regulations. This report presents an update on the implementation of Data Governance at LPBank in 2024.

ORGANIZATIONAL STRUCTURE AND DATA GOVERNANCE POLICY

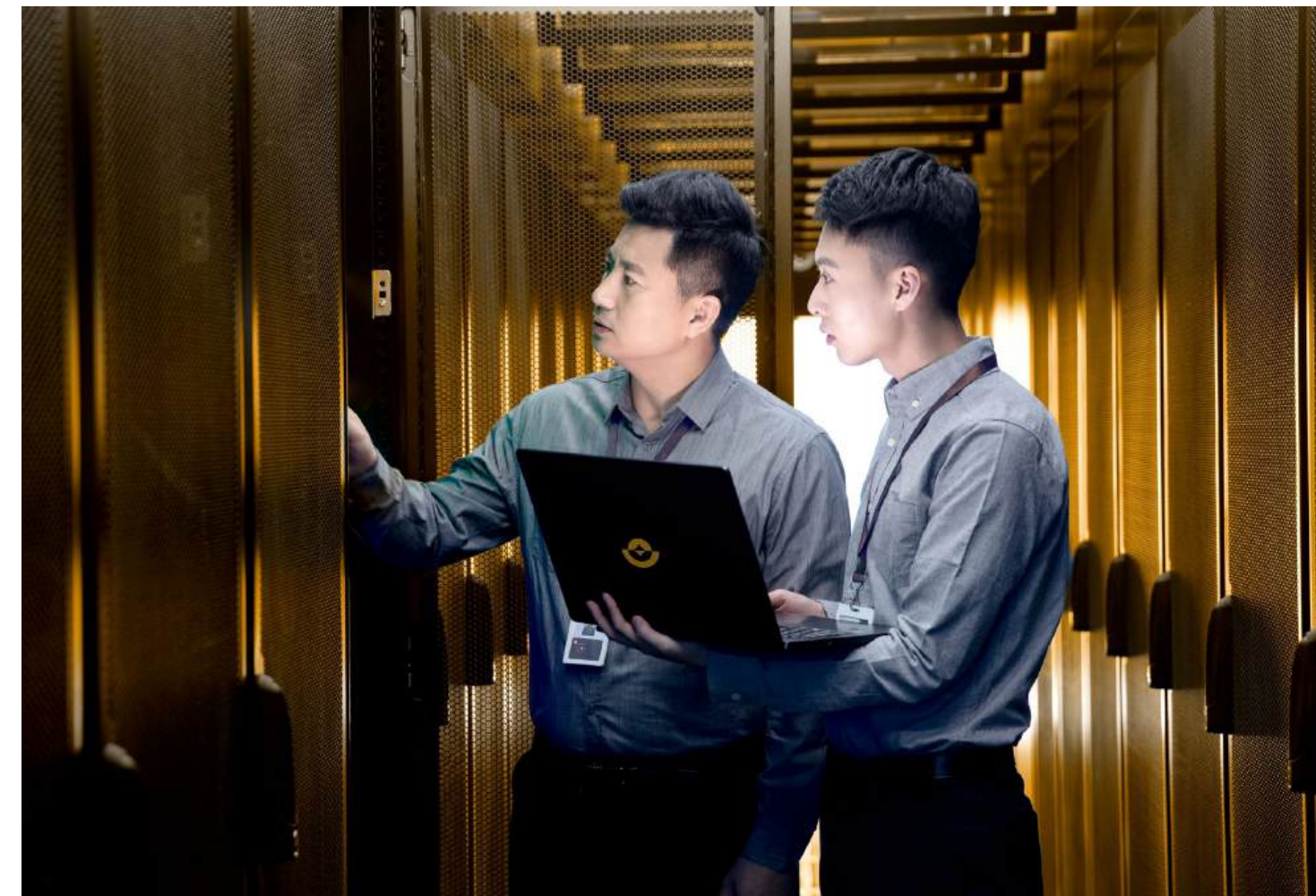
LPBank has issued a Data Governance Framework to establish unified principles and mechanisms for implementing Data Governance across the system from Headquarters to business units.

The Data Governance Council has been established and is an important basis demonstrating the interest of leaders and the Executive Board in banking data in general and Data Governance in particular. The Data Governance Council is a unit that directly supports LPBank’s CEO in orienting, supervising and organizing the implementation of Data Governance activities.

Upgrade security system

In 2024, LPBank will have strong changes in investing in security technology, specifically:

- 24/7 monitoring by a team of leading Vietnamese cybersecurity experts and security intelligence services from prestigious international organizations.
- Building 02 new data centers, equipping the most modern security system for these 2 new data centers.
- Deploying data management software between the data center and user computers, ensuring that all data flows in/out of the data center server are approved and closely monitored.
- Enhancing digital transaction security, facial recognition authentication.



Data Security Training

LPBank focuses on developing and implementing information security training programs for all employees, in the form of training and practical testing to improve awareness and handling skills for each individual and unit. All employees of the Bank participate in information security training.



ESG Data Governance

LPBank has promoted ESG system data management according to international standards, in order to improve management efficiency and ensure transparency and accuracy in collecting and reporting ESG data.

Specifically, after building a specialized ESG database system, applied to the entire bank and business partners, LPBank has deployed comprehensive data management solutions for this system, including building and maintaining a standardized data dictionary, a data classification and organization system, and tools to support analysis and reporting.

In addition, LPBank has also implemented a mechanism to regularly monitor and track changes in the ESG data system, to ensure timely and complete identification of data changes, while ensuring the integrity and accuracy of reported ESG data. This mechanism not only helps ensure data quality but also supports the automation of internal audit and control processes, helping the bank meet the requirements of regulatory agencies and stakeholders.

From building an ESG data management system to monitoring and managing information, LPBank is committed to always maintaining a transparent, accurate data system that fully meets international standards. This not only helps the bank improve the efficiency of ESG data management but also contributes to strengthening LPBank's reputation and brand in the international financial market, while contributing to the sustainable development of the community and the environment.

SUSTAINABLE FINANCE

Overview

In 2024, LPBank will complete the development of credit policies and regulations on environmental and social risk assessment to guide Business Units across the system in the process of assessing, appraising, controlling risks and granting credit to Customers.

LPBank is always active and proactive in participating in Bank-Enterprise connection programs, coordinating with local Party committees, authorities, political and social organizations to exchange and dialogue with loan customers to grasp and promptly handle and resolve difficulties and obstacles of customers effectively and practically, thereby expanding access to credit capital for Enterprises and people. The program connects the Bank with Associations and local authorities through specific products such as: Loan products for individual customers through the Linking Group connected with the Women's Union, Farmers' Association and local authorities to support loans for members of the Association. LPBank coordinates with Associations and local authorities to regularly organize seminars and conferences to disseminate loan support programs to individuals, helping people access loans more easily and effectively.

With funding from the Asian Development Bank (ADB), LPBank has deployed and promoted credit granting to female customers, businesses/household businesses owned by women with environmentally friendly business activities, focusing on areas such as rural agriculture, renewable energy, green production, forest protection, low-carbon consumption, etc. In addition, LPBank conducts knowledge training for customer specialists on green credit, how to assess environmental and social risks in the credit granting process, and at the same time, develops plans to promote green credit to customers.

Comprehensive finance and featured products

Recognizing the role of LPBank in facilitating the shift to sustainable development and green credit. LPBank has been enhancing its ability to support business units as well as Customers in the identification process to meet the conditions for sustainable development, especially Customers in remote areas. To support Customers to access preferential capital sources, in 2024 LPBank has implemented many preferential loan interest rate programs such as:



The program applies credit solution packages for individual customers with a disbursement turnover of more than 74,000 billion and a number of more than 103,200 participating customers.



Preferential interest rate loan program for customers borrowing capital for production and business with a disbursement turnover of nearly 15,200 billion and a number of 6,300 participating customers. (In which: Individual customers are 5,800 billion with nearly 4,500 participating customers)



Account package for merchants/household business.

The above incentive programs have spread strongly nationwide, contributing to promoting production, business and local economy. This is a great effort of LPBank in accompanying customers, solving capital difficulties for customers, demonstrating the bank's responsibility to the economy, affirming LPBank's strong commitment.

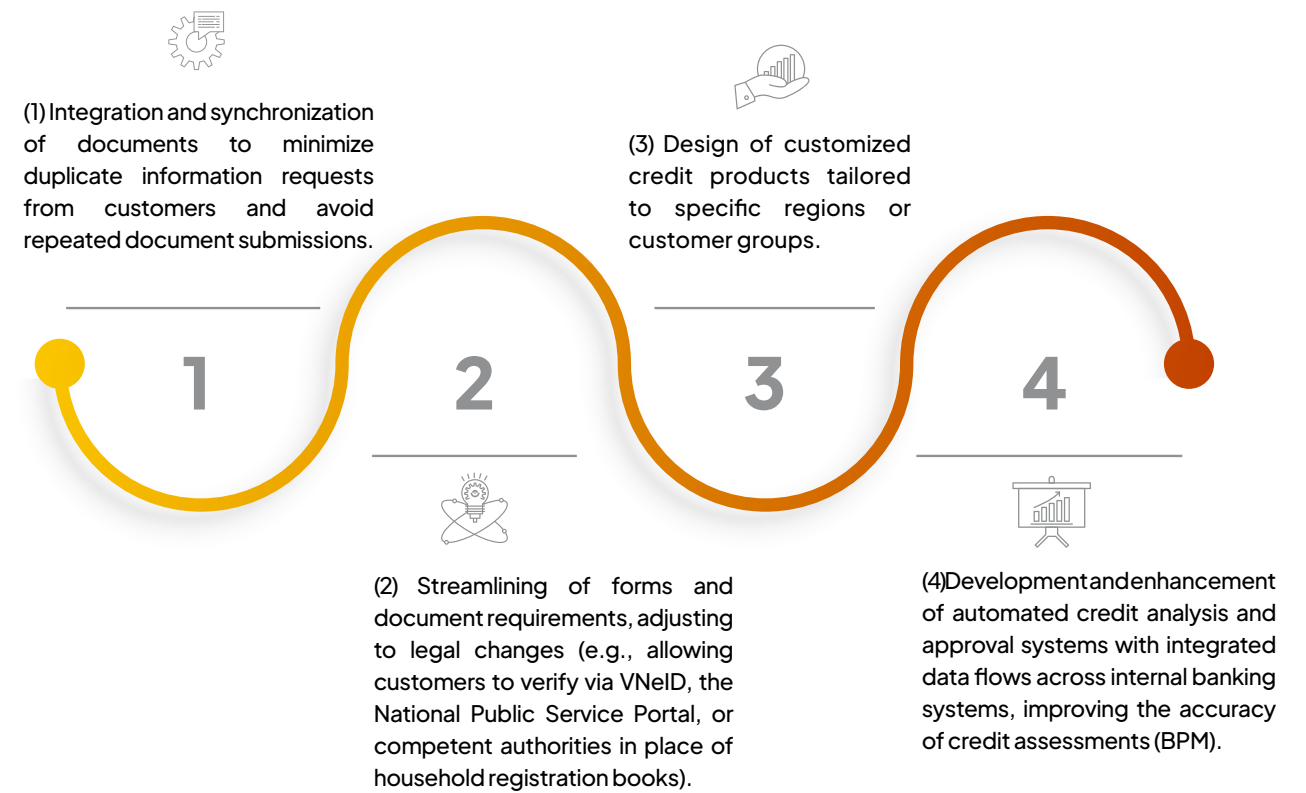


Deploying many support solutions, creating a favorable environment for businesses to access financial services

Implement solutions to support and create favorable conditions for customers to access bank credit by reviewing, simplifying, and shortening procedures and processes, while enhancing the application of technology and digital transformation in the credit approval process to accelerate response times to customer requests. Specifically:

- Since early 2024, LPBank has embarked on a robust transformation journey. As part of this process, the bank has implemented various measures to optimize costs and simplify procedures, including a comprehensive review of internal processes and regulations to revise and supplement them by eliminating redundant steps, increasing digitalization in business operations, streamlining the credit documentation list while maintaining effective risk management, reducing document processing time, and enhancing specialization across business functions....
- Ongoing initiatives include: automating certain operational tasks to reduce costs and improve efficiency—such as auto-generating credit contracts and collateral agreements; digitizing the post-lending inspection process bank-wide to allow more focus on business activities and reduce operational costs; establishing project teams focused on business digitization by customer segments to enhance specialization; and expanding technologies for automatic data extraction from reports.

- The credit documents has been reviewed and optimized to ensure:



- Additionally, each product regulation issued is typically packaged to include product guidelines, templates, and a checklist of required customer documents, thereby helping employee easily execute operations, track progress, and advise customers effectively.
- Currently, LPBank is deploying a series of digital integration and technology-driven projects across the processes of information collection, credit application handling, and loan approval to further speed up response time to customer requests. These include: digital signatures; the LPBiz app for corporate clients; the BPM credit process project (data standardization and workflow automation to reduce processing time); the SaleUp tool to help RMs at business units access banking products/ services and manage sales results to identify potential customers; and the centralized CIC credit report lookup software via API (CIS),....






CLIMATE NEUTRALITY - RESOURCES SAVING - EMISSIONS REDUCTION




Climate Neutrality

CARBON NEUTRALITY GOAL




LPBank is committed to minimizing the impact on climate change by promoting green activities in banking operations:

-  Reducing carbon emissions in operations.
-  Developing a green credit portfolio, supporting businesses in the renewable energy sector.
-  Reducing indirect emissions through the credit portfolio by not financing highly polluting projects.

IMPLEMENTATION MEASURES




-  Reducing emissions at branches: Installing solar power systems at headquarters and major branches.
-  Developing green credit: Increasing funding for businesses that adhere to the green economic model.
-  Implementing the Festival of National Tree Planting: As a result, the entire Bank planted more than 3,000 trees of all kinds across the three regions of the North, Central and South, planted forests, covered bare hills, greened schools from kindergarten to university, planted shade trees in squares, memorials to heroes and martyrs, historical sites, parks, hospitals, etc.

Resources saving



- Energy saving**
-  Digital transformation: LPBank enhances digital banking services, reduces paper usage.
-  Office automation: Limits printing, encourages the use of electronic documents.
-  Optimizes green branches: Installs LED systems and motion sensors to save electricity.

Emissions reduction

REDUCE PLASTIC AND PAPER WASTE

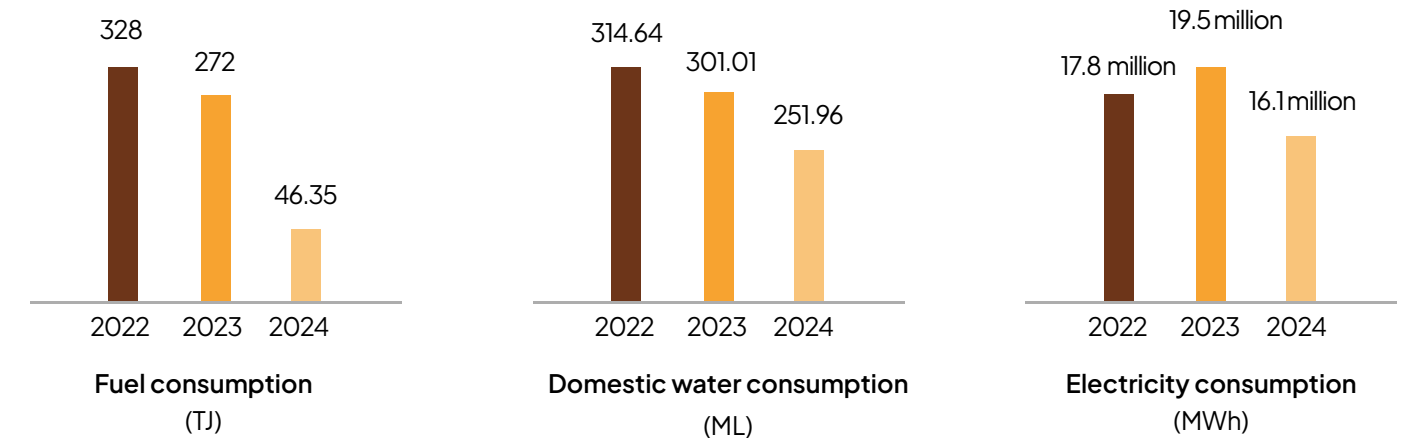
-  Developing e-statements: LPBank encourages customers to receive electronic account statements.
-  Replacing single-use plastic materials: Reducing the use of plastic bottles and cups at offices and branches, replacing them with reusable materials.
-  Minimizing printed paper: Applying digital signatures and electronic contracts to limit the use of paper.

ELECTRONIC WASTE MANAGEMENT

-  Collect and recycle old equipment: Apply a policy of collecting and recycling old banking equipment such as ATMs, computers and other electronic equipment.
-  Cooperate with waste treatment units: Ensure that expired electronic equipment is properly processed to avoid environmental pollution.



Results



HUMAN RESOURCE DEVELOPMENT

LPBank builds a diverse and inclusive working environment and ensures equal rights for all employees, regardless of gender, age, ethnicity or background.

Fair recruitment policy: LPBank is committed to maintaining a gender balance in its workforce and in leadership positions.

Transparent remuneration policy: Ensuring salaries and benefits are not discriminated against by gender or background.

Women support program: Creating career development opportunities for female employees through leadership training programs and professional mentoring.

Friendly working environment: Encouraging a diverse work culture, free of discrimination or harassment.

Human resource development

LPBank considers people as the most valuable asset and invests heavily in human resource development:

- Intensive training program: Providing courses to improve professional and management skills for employees at all levels.
- Continuous training policy: Cooperating with educational institutions to update the latest financial knowledge and technology.

Employee training activities in 2024:

LPB has organized **261** training programs/courses
1,912 classes/exams
324,933 trainees

The key and outstanding training programs implemented in 2024 are as follows:

- Training programs for senior leaders and middle managers: Breakthrough leadership, Leadership in the digital transformation era, the art of inspirational communication, 6 sources of influence, Application of physiognomy in human resource management, Optimal assignment, maximum results, BSC/KPI strategy building program.
- Key training programs: Capacity building program for the team of individual customers, corporate customers, Corebanking T24 system training program for Bank and VNPOST employees, Training program for the positions of Director, Deputy Director of Business Units and human resource employee.



Number of employee:

10,463

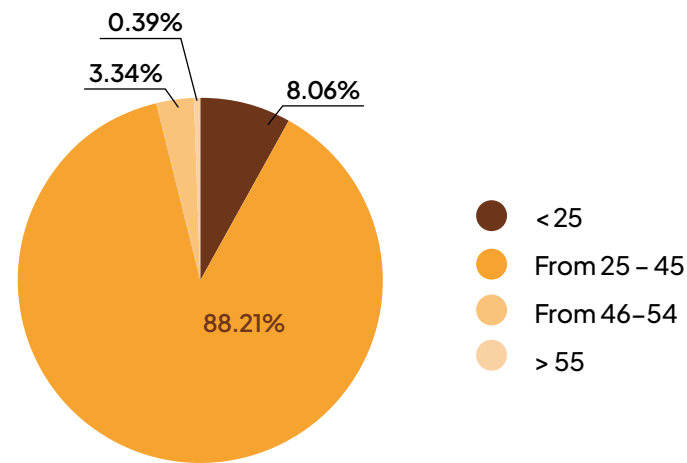
(excluding 736 controllers at Post Offices)

Summary of policies and changes in policies for employees:

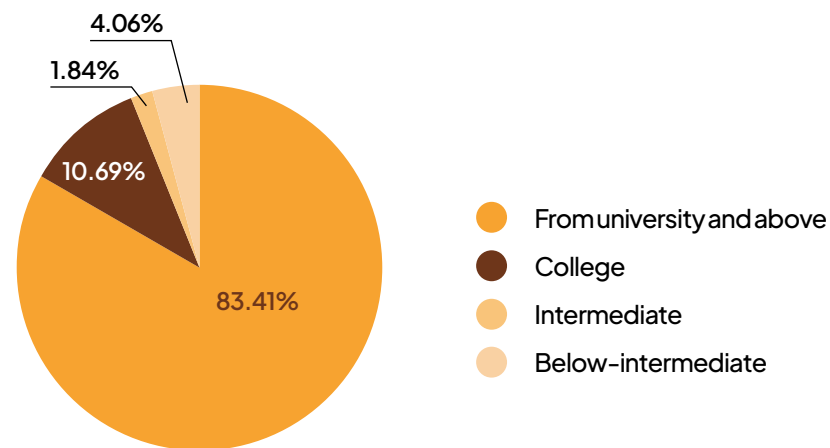
- Add new flexible working hour policy for Head Office employees
- Add new income mechanism adjustment policy for regional managers

Divide the proportion of employee by age, level, gender

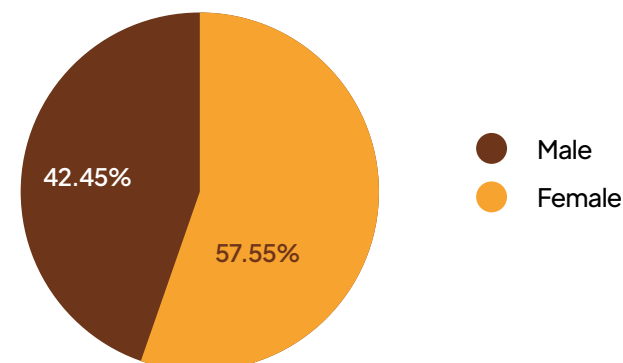
EMPLOYEE RATIO BY AGE



EMPLOYEE RATIO BY LEVEL



EMPLOYEE RATIO BY GENDER



Labor policy to ensure the health, safety and welfare of workers

STANDARD REGIME

LPBank always complies with the provisions of law related to employees and fully implements the regimes on social insurance, health insurance, unemployment insurance, occupational accident - occupational disease, 24/24 accident insurance.

SALARY AND BONUS POLICY

All bank employees are paid income according to the Salary and Bonus Regulations and receive benefits according to the Collective Labor Agreement. The highest management level of LPBank (Board of Directors and Supervisory Board) is paid remuneration according to the decision of the Annual General Meeting of Shareholders.

INSURANCE AND HEALTH CARE

LPBank always prioritizes protecting the health of employees and implementing policies:

- Periodic health check-ups with many suitable items, performing disease screening according to the needs of employee at reputable, quality hospitals with an average cost of VND 1.5 million/person.
- Health insurance: Employees enjoy comprehensive health insurance with policies and insurance values increasing every year.
- Comprehensive health benefits policy: yoga cost support, gym arrangement.
- Medical room for employee and functional room for female employees who are in the period of raising children.

BENEFITS/WELFARES:

Allowances and rewards:

- Support for meal, travel/telephone/makeup.
- Bonuses for holidays.
- Hazard allowance in kind.
- Bonus based on work performance during the year.

Life benefits:

- Cultural - artistic - sports activities.
- In addition, LPBank employees will enjoy additional benefits such as paid leave on their birthday and 1 day of seniority leave compared to the Labor Code.

Regime for female employees:

- Gifts for female employees on the occasion of March 8 and October 20.
- Maternity allowance.
- Maternity leave: LPBank applies a maternity leave policy for employees (both male and female) in compliance with the provisions of labor law and applies reward policies, benefits, health insurance and other types of additional insurance; at the same time, employees are still considered for annual emulation, considered for periodic salary increases and evaluated for work performance as a basis for considering annual performance bonuses and related welfare regimes.

**OTHER ENGAGEMENT-
ENHANCING BENEFITS/
SUPPORT/WELFARE:**

- Flexible working hours for employee working at Head Office.
- Preferential loan policy for employee



SOCIAL RESPONSIBILITY

Along with effectively implementing business activities, LPBank continues to affirm its pioneering role in building a sustainable and responsible financial system. With the motto “Incorporating social responsibility into business”, LPBank constantly contributes to the development of the community and society through direct sponsorship activities and charity movements. In 2024, LPBank has implemented many practical activities, ready to act for the good values brought to the community.

More than **VND 400 billion** is the total value of sponsorships for social and community activities of LPBank in 2024.

Education – Training

Education - Training is one of the areas that accounts for a high proportion of the total funding that LPBank provides for social activities. In 2024 alone, LPBank will spend more than 100 billion VND for the purpose of developing education and training nationwide, continuing to maintain and expand programs to sponsor the construction of schools, educational facilities, scholarship funds and scholarships, contributing to improving the quality of education and training of human resources.

The Bank also sponsored the “Helping Children Go to School” campaign in Muong Te District, Lai Chau Province, and awarded many scholarships to disadvantaged students in mountainous areas. In training high-quality human resources, LPBank sponsored a scholarship fund of VND 5 billion for the Talented High School - Ho Chi Minh National University in the work of nurturing excellent students, awarding scholarships to students with good academic achievements at the University of Economics - Danang University, Ho Chi Minh City University of Technology and Ho Chi Minh City University of Economics, Academy of Finance, etc. Up to now, LPBank has become the founder and sponsor of 14 Scholarship Funds for Learning Promotion, Talent Promotion and many large scholarship programs.



Sports

In recent years, LPBank has actively implemented a wide range of sponsorship activities in sports and athletics, consistently demonstrating a strong commitment to investing in and supporting the development of Vietnamese sports. Currently, LPBank is the Title Sponsor of the LPBank V. League 1 – 2024/2025, Vietnam’s premier national football championship. The Bank also contributes significantly to the advancement of domestic sports through sponsorship of various clubs and academies, including the LPBank Ninh Binh men’s and women’s volleyball teams, the LPBank – Hoang Anh Gia Lai Football Academy, LPBank – HAGL Football Club, Ho Chi Minh City Youth Football Club, Phu Dong – Ninh Binh Football Club, and many other local football teams. In 9/2024, LPBank was also organizer for the 2024 LPBank Cup International Friendly Football Tournament featuring strong football nations as Thailand and Russia, bringing exciting football event for fans with international and regional top-class stars. In addition, LPBank also places great emphasis on sponsoring broadcasting rights for major sporting events, aiming to provide fans with high-quality sports experiences.

In terms of community sports engagement, LPBank is a co-organizer of the VTV LPBank International Marathon – “Cat Ba Sunset Colors 2024.” This meaningful event not only promotes a healthy lifestyle but also aims to raise awareness of the protection of the Cat Ba Archipelago, a UNESCO-recognized World Natural Heritage site. The marathon attracted more than 3,500 athletes, spreading positive values to both domestic and international participants.



Social welfare



The year 2024 marked a significant milestone for LPBank with numerous outstanding activities in the field of social welfare, reflecting the Bank’s deep commitment to the community with a mission centered on people and national prosperity. LPBank actively contributed to the “For the Poor” Fund, supported sustainable livelihoods for local communities, and provided funding for the construction of social housing, transportation infrastructure, and public welfare projects in remote and underprivileged areas. Notably, in the past year, LPBank donated VND 100 billion to the nationwide campaign launched by the Prime Minister to eliminate makeshift and dilapidated housing. Additionally, the Bank contributed nearly VND 800 million to charitable activities supporting the development of Cat Hai District in Hai Phong City, helping to improve the quality of life for local residents. These meaningful actions demonstrate LPBank’s spirit of compassion and strong sense of social responsibility in business.

In addition, LPBank organized gratitude programs, visits, and gift-giving activities for policy beneficiary families, national contributors, and disadvantaged individuals—further contributing to the building of a prosperous and inclusive society.

Support local authorities to overcome natural disaster consequences

With a spirit of solidarity and compassion, in response to the devastating damage caused by historic Typhoon No. 3 (Yagi), LPBank donated VND 2 billion to support people in storm-affected provinces through the Vietnam Fatherland Front. In addition, the Executive Committee of LPBank’s Trade Union launched a campaign encouraging every employee member and employee to donate one day’s salary. As of December 31, 2024, the total registered contributions from LPBank’s union members across the entire system had exceeded VND 6 billion, demonstrating a collective desire to share and ease the suffering of fellow citizens and colleagues.

Beyond financial contributions, LPBank’s leadership directed branches and transaction offices in storm-affected areas to proactively reach out to loan customers, assess damages, and promptly implement suitable support measures. The Bank rolled out an interest rate reduction program for existing borrowers, covering a total outstanding loan balance of up to VND 29.7 trillion. For new customers, LPBank introduced a dedicated loan package of up to VND 8 trillion with interest rates starting from just 6% per annum. The package covers a wide range of purposes including business facility repairs, working capital for production recovery, home construction and renovation, furniture purchase, and consumer needs,...

As part of its ongoing commitment to community development, LPBank contributed more than VND 400 billion to social welfare initiatives in 2024 alone. In the future, LPBank will continue to promote social security activities, focusing on key sectors such as education, healthcare, and culture-sports, contributing to the building of a prosperous and sustainable society.

FINANCIAL STATEMENTS

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127	Independent auditors' report
128	Statement of financial position
131	Income statement
132	Cash flow statement
134	Notes to the financial statements

STATEMENT OF THE BOARD OF MANAGEMENT

The Board of Management of Fortune Vietnam Joint Stock Commercial Bank (the “Bank”) presents this report together with the Bank’s financial statements for the year ended 31 December 2024.

The members of the Board of Directors, Board of Supervisors, Board of Management of the Bank during the year and to the date of this report were as follows:

1. Board of Directors

Name	Title
Mr. Nguyen Duc Thuy	Chairman
Mr. Ho Nam Tien	Standing Vice Chairman (From 04 October 2024) Vice Chairman (Until 04 October 2024)
Mr. Pham Phu Khoi	Vice Chairman (From 07 February 2025) Independent Member (From 16 November 2024)
Mr. Le Minh Tam	Independent Member (Until 16 November 2024) Standing Vice Chairman (From 11 June 2024 to 04 October 2024) Vice Chairman (From 27 May 2024 to 11 June 2024)
Mr. Nguyen Van Thuy	Vice Chairman (From 11 June 2024) Standing Vice Chairman (Until 11 June 2024)
Mr. Bui Thai Ha	Vice Chairman
Mr. Huynh Ngoc Huy	Member
Mr. Le Hong Phong	Member (Until 16 November 2024)
Ms. Vuong Thi Huyen	Independent Member (From 16 November 2024)

2. Board of Supervisors

Name	Title
Ms. Duong Hoai Lien	Head of Board of Supervisors
Mr. Tran Thanh Tung	Deputy Head of Board of Supervisors
Ms. Nguyen Thi Lan Anh	Member
Mr. Nguyen Phu Minh	Member (Until 17 April 2024)

3. Board of Management and Chief Accountant

Name	Title
Mr. Vu Quoc Khanh	Chief Executive Officer (From 25 February 2025) Acting Chief Executive Officer (From 04 October 2024 to 25 February 2025) Standing Deputy Chief Executive Officer (Until 04 October 2024)
Mr. Ho Nam Tien	Chief Executive Officer (Until 04 October 2024)
Ms. Nguyen Anh Van	Deputy Chief Executive Officer
Mr. Doan Nguyen Ngoc	Deputy Chief Executive Officer
Ms. Vu Nam Huong	Deputy Chief Executive Officer (From 20 March 2024)
Mr. Dang Cong Hoan	Deputy Chief Executive Officer (From 16 December 2024)
Mr. Luu Danh Duc	Deputy Chief Executive Officer (From 26 December 2024)
Mr. Hoang Van Phuc	Deputy Chief Executive Officer (Until 10 January 2025)
Ms. Nguyen Thi Gam	Chief Accountant (Until 31 December 2024) Deputy Chief Executive Officer (Until 30 August 2024)
Mr. Le Anh Tung	Deputy Chief Executive Officer (Until 30 August 2024)
Ms. Le Thi Thanh Nga	Deputy Chief Executive Officer (Until 31 May 2024)
Mr. Nguyen Thanh Tung	Deputy Chief Executive Officer (Until 31 May 2024)
Ms. Vu Thu Hien	Deputy Chief Executive Officer (Until 06 February 2024)
Ms. Nguyen Thi Vui	Member of Board of Management (From 12 June 2024) Deputy Chief Executive Officer (Until 12 June 2024)
Mr. Tran Duc Dong	Member of Board of Management (From 16 December 2024)
Mr. Ngo Duc Thang	Member of Board of Management (From 16 December 2024)
Ms. Nguyen Hong Nhung	Member of Board of Management (From 16 December 2024)
Mr. Nguyen Hoang Hai	Member of Board of Management (From 07 January 2025)
Mr. Nguyen Tien Cong	Chief Accountant (From 31 December 2024)

STATEMENT OF THE BOARD OF MANAGEMENT

(Continued)

The Board of Management's Statement of responsibility

The Board of Management of the Bank is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Bank as at 31 December 2024 and its financial performance and its cash flows for the year then ended in accordance with Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Management is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue its business; and
- Design and implement an effective internal control system for the purpose of properly preparing and presenting the financial statements so as to minimize errors and frauds.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Bank, and that the financial statements comply with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to financial reporting. The Board of Management is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Bank has complied with the above requirements in preparing these financial statements.

For and on behalf of the Board of Management,

Vu Quốc Khanh
Chief Executive Officer

Hanoi, 25 March 2025

INDEPENDENT AUDITORS' REPORT

To: **The Shareholders
The Board of Directors and the Board of Management
Fortune Vietnam Joint Stock Commercial Bank**

We have audited the accompanying financial statements of Fortune Vietnam Joint Stock Commercial Bank (the "Bank"), prepared on 25 March 2025 as set out from page 06 to page 73, which comprise the statement of financial position as at 31 December 2024, the statement of profit or loss and the cash flow statement for the year then ended, and a summary of accounting policies and other explanatory information.

Board of Management' Responsibility

The Bank's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to financial reporting and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

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

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

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2024, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for credit institutions and legal regulations relating to financial reporting.

Khúc Thị Lan Anh
Deputy General Director
Audit Practising Registration Certificate
No. 0036-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED
25 March 2025
Hanoi, S.R Vietnam

Doan Dieu Huyen
Auditor
Audit Practising Registration Certificate
No. 5593-2025-001-1

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

FORM B02/TCTD

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, Vietnam

Issued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Unit: VND million

NO.	ITEMS	Note	Closing balance	Opening balance
A	ASSETS			
I.	Cash	5	1,162,384	2,382,762
II.	Balances with the State Bank of Vietnam ("SBV")	6	14,369,534	14,578,444
III.	Deposits with and loans to other credit institutions	7	96,455,319	35,527,676
1.	Deposits with other credit institutions		89,027,361	35,059,076
2.	Loans to other credit institutions		7,484,935	526,177
3.	Provision for loans to other credit institutions		(56,977)	(57,577)
IV.	Held-for-trading securities	8	660,321	580,440
1.	Held-for-trading securities		660,321	580,440
V.	Derivatives and other financial assets	9	9,137	-
VI.	Loan to customers		327,276,218	271,972,649
1.	Loan to customers	10	331,606,315	275,430,884
2.	Provision for credit losses of loans to customers	11	(4,330,097)	(3,458,235)
VII.	Debts purchased	12	-	21,796
1.	Debts purchased		-	21,961
2.	Provision for credit losses of debts purchased		-	(165)
VIII.	Investment securities	13	58,080,339	46,844,368
1.	Available-for-sale securities		58,080,339	46,844,368
IX.	Long-term investments	14	548,808	348,718
1.	Other long-term investments		548,808	348,718
X.	Fixed assets		2,731,787	1,949,987
1.	Tangible fixed assets	15	1,715,789	1,170,643
a.	Costs		3,469,789	2,940,904
b.	Accumulated depreciation		(1,754,000)	(1,770,261)
2.	Intangible assets	16	1,015,998	779,344
a.	Costs		1,258,422	996,036
b.	Accumulated amortisation		(242,424)	(216,692)

The accompanying notes are an integral part of these financial statements.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

FORM B02/TCTD

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, Vietnam

Issued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

Unit: VND million

NO.	ITEMS	Note	Closing balance	Opening balance
XI.	Other assets	17	7,036,551	8,656,339
1.	Receivables		1,535,761	3,050,171
2.	Interests and fees receivable		4,745,521	5,037,867
3.	Other assets		761,672	575,737
4.	Provision for other assets		(6,403)	(7,436)
	TOTAL ASSETS		508,330,398	382,863,179
B.	LIABILITIES AND OWNER'S EQUITY			
I.	Amount due to the Government and the SBV	18	1,271,377	89,576
1.	Deposits and borrowings from the Government and the SBV		1,271,377	89,576
II.	Deposits and borrowings from other credit institutions	19	115,349,011	50,112,429
1.	Deposits from other credit institutions		105,407,431	47,152,604
2.	Borrowings from other credit institutions		9,941,580	2,959,825
III.	Deposits from customers	20	283,171,846	237,391,609
IV.	Derivatives and other financial liabilities	9	-	75,786
V.	Valuable papers issued	21	55,458,916	47,909,881
VI.	Other liabilities	22	9,740,948	13,166,498
1.	Interests and fees payables		7,816,590	9,839,488
2.	Other payables and liabilities		1,924,358	3,327,010
	TOTAL LIABILITIES		464,992,098	348,745,779
VII.	Capital and reserves			
1.	The Bank's capital	23	25,576,221	25,576,221
	Charter capital		25,576,164	25,576,164
	Share premium		57	57
2.	The Bank's reserves	23	5,640,216	3,696,036
3.	Retained earnings	23	12,121,863	4,845,143
	TOTAL OWNER'S EQUITY		43,338,300	34,117,400
	TOTAL LIABILITIES AND OWNER'S EQUITY		508,330,398	382,863,179

The accompanying notes are an integral part of these financial statements.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

FORM B02/TCTD

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, VietnamIssued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

(Continued)

OFF-BALANCE-SHEET ITEMS

Unit: VND million

NO.	ITEMS	Note	Closing balance	Opening balance
1.	Credit guarantees	41	47,370	55,340
2.	Foreign currency commitments	41	173,657,384	162,150,751
a.	Foreign currency purchase commitments		5,678,169	-
b.	Foreign currency sale commitments		4,148,345	2,902,200
c.	Swap commitments		163,830,870	159,248,551
3.	Letters of credit commitments	41	484,545	676,398
4.	Other guarantees	41	3,017,938	1,706,763
5.	Other commitments	41	5,526,892	4,486,870
6.	Uncollected interest from loans and fee receivables	42	1,805,403	1,235,726
7.	Bad debts written-off	43	11,114,974	10,649,809
8.	Other assets and papers	44	1,560,377	2,322,992

25 March 2025

Prepared by

Approved by



Nguyen Van Hieu
Accounting and Tax Specialist



Nguyen Tien Cong
Chief Accountant

Approved by




Vu Quoc Khanh
Chief Executive Officer

The accompanying notes are an integral part of these financial statements.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

FORM B03/TCTD

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, VietnamIssued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

INCOME STATEMENT

For the year ended 31 December 2024

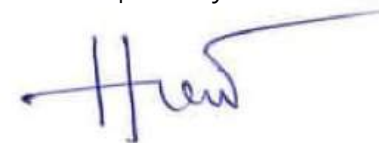
Unit: VND million

NO.	ITEMS	Note	Current year	Prior year (restated)
1.	Interest and similar income	24	34,137,034	32,353,651
2.	Interest and similar expenses	25	(18,743,291)	(21,150,522)
I.	Net interest and similar income		15,393,743	11,203,129
3.	Income from services rendered		3,594,134	3,905,988
4.	Expenses on services rendered		(383,135)	(340,361)
II.	Net gain from services rendered	26	3,210,999	3,565,627
III.	Net gain from foreign currency trading	27	273,305	435,098
IV.	Net gain from trading held-for-trading securities	28	43,021	30,208
V.	Net (loss) from trading investment securities	29	(1,462)	(5,254)
5.	Income from other activities		1,246,273	490,524
6.	Expenses on other activities		(308,466)	(143,372)
VI.	Net gain from other activities	31	937,807	347,152
VII.	Income from capital contribution and equity investments in other entities	30	75,017	49,345
	Total operating income		19,932,430	15,625,305
7.	Employee costs		(3,150,674)	(3,233,810)
8.	Depreciation and amortisation expenses		(1,173,004)	(1,023,185)
9.	Other operating expenses		(1,486,765)	(1,502,877)
VIII.	Total operating expenses	32	(5,810,443)	(5,759,872)
IX.	Net profit from operating activities before provision expenses for credit losses		14,121,987	9,865,433
X.	Provision expenses for credit losses	33	(1,953,819)	(2,826,040)
XI.	Profit before tax		12,168,168	7,039,393
10.	Current corporate income tax expense	34	(2,447,268)	(1,467,147)
XII.	Corporate income tax expense		(2,447,268)	(1,467,147)
XIII.	Profit after tax		9,720,900	5,572,246
XIV.	Basic earnings per share	35	3,254	1,974

25 March 2025

Prepared by

Approved by



Nguyen Van Hieu
Accounting and Tax Specialist



Nguyen Tien Cong
Chief Accountant

Approved by




Vu Quoc Khanh
Chief Executive Officer

The accompanying notes are an integral part of these financial statements.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, Vietnam

FORM B04/TCTD

Issued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

CASH FLOW STATEMENT

For the year ended 31 December 2024

Unit: VND million

	Note	Current year	Prior year
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest and similar income received		34,247,516	31,525,094
Interest and similar expenses paid		(20,597,840)	(17,583,219)
Income from services rendered received		3,206,319	3,564,158
Net cash from dealing in foreign currency and trading securities		476,972	175,210
Other income/(expenses)		(157,154)	(2,771)
Cash recovered from bad debts written off or compensated by provision for credit losses		945,522	359,547
Payments to employees and for operation management		(6,026,369)	(5,028,906)
Corporate income tax paid	34	(2,740,215)	(1,299,047)
Net cash flow from operating activities before changes in operating assets and working capital		9,354,751	11,710,066
Changes in operating assets			
(Increase)/Decrease in deposits with and loans to other credit institutions ^a		(6,958,758)	132,021
(Increase) in investment securities		(11,315,851)	(4,851,238)
(Increase) in derivative financial instruments and other financial assets		(9,137)	-
(Increase) in loans to customers and debts purchased		(56,153,470)	(39,685,522)
Decrease in provision for credit losses on bad debts and corporate bonds		(1,083,793)	(4,240,775)
Decrease/(Increase) in other operating assets		505,069	(1,221,125)
Changes in operating liabilities			
Increase/(Decrease) in amount due to the Government and the SBV		1,181,801	(2,987,204)
Increase in deposits and borrowings from other credit institutions		65,236,581	10,452,408
Increase in deposits from customers		45,780,237	21,503,583
Increase in valuable papers issued (excluding valuable papers charged to financial activities)		7,549,034	12,861,714
(Decrease)/Increase in derivatives and other financial liabilities		(75,786)	33,756
(Decrease) in other operating liabilities		(40,087)	(386,732)
Expenditures from funds of credit institutions		(316,416)	(557,085)
Net cash used in from operating activities		53,654,175	2,763,867

The accompanying notes are an integral part of these financial statements.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, Vietnam

FORM B04/TCTD

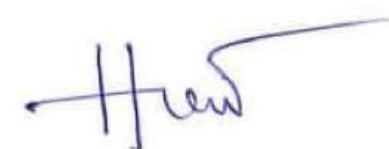
Issued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

Unit: VND million

	Note	Current year	Prior year
CASH FLOWS FROM INVESTING ACTIVITIES			
Acquisition of fixed assets		(1,107,524)	(428,246)
Proceeds from disposal of fixed assets		118,655	16,163
Payments for disposal of fixed assets		(1,236)	(23,635)
Payments for capital contribution to other entities		(200,090)	(32,787)
Dividends and profit received from long-term investments and capital contribution		75,017	49,345
Net cash used in investing activities		(1,115,178)	(419,160)
CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from capital contributed and/or issuing shares		-	5,000,000
Net cash used in financing activities		-	5,000,000
Net cash flows for the year		52,538,997	7,344,707
Cash and cash equivalents at the beginning of the period		52,020,282	44,675,575
Cash and cash equivalents at the end of the period	36	104,559,279	52,020,282

25 March 2025

Prepared by



Nguyen Van Hieu
Accounting and Tax Specialist

Approved by



Nguyen Tien Cong
Chief Accountant

Approved by



Vu Quoc Khanh
Chief Executive Officer

The accompanying notes are an integral part of these financial statements.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, Vietnam

FORM B05/TCTD

Issued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

NOTES TO THE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION OF THE BANK

Establishment and Operation

Fortune Vietnam Joint Stock Commercial Bank (“the Bank”), formerly known as Lien Viet Joint Stock Commercial Bank, was established under the Operation License No. 91/GP-NHNN dated 28 March 2008 issued by the Governor of the State Bank of Vietnam (“SBV”) with an operation period of 99 years from the issuance date. The Enterprise Registration Certificate No. 6300048638 issued by the Department of Planning and Investment of Hanoi has been amended for the 30th time on 29 December 2023.

In accordance with Official Letter No.244/TTg-DMDN dated 21 February 2011, the Vietnamese Prime Minister approved the capital contribution of Vietnam Post Corporation (“Vietnam Post”) in Lien Viet Joint Stock Commercial Bank by the value of Vietnam Postal Saving Services Company (“VPSC”) and cash. As at 01 July 2011, Vietnam Post completed the transfer of assets and liabilities of VPSC to Lien Viet Joint Stock Commercial Bank.

On 15 July 2024, the SBV issued Decision No. 423/QD-TTGSNH2 amending the contents of the Bank’s Establishment and Operation License; accordingly, the Bank changed its name to as Fortune Vietnam Joint Stock Commercial Bank, abbreviated as LPBank.

On 21 January 2025, the Bank received Decision No. 125/QD-NHNN of the SBV further amending the contents of the Bank’s Establishment and Operation License, accordingly, the Bank’s charter capital is VND 29,872,821 million.

The Bank’s principal operating activities include implementing banking transactions which comprise of mobilizing and receiving short-term, medium-term and long-term deposits from organizations and individuals;

providing short-term, medium-term and long-term loans to organizations and individuals on the basis of the nature and capability of the Bank’s capital resources; conducting foreign exchange transactions; trade finance services, discounting of commercial papers, bonds and other valuable papers; providing other banking services permitted by the SBV.

Charter capital

At 31 December 2024, the charter capital of the Bank was VND 25,576,164 million (as at 31 December 2023: VND 25,576,164 million).

Locations and the Bank network

The Bank’s Head Office is located at LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward, Hoan Kiem District, Hanoi. The total number of the Bank’s network points as at 31 December 2024 was one (01) Head Office, three (03) representative offices, eighty five (85) branches, four hundred and eighty one (481) transaction offices and five hundred and twelve (512) post transaction offices nationwide.

Employees

Total employees of the Bank as at 31 December 2024 were 11,189 (as at 31 December 2023: 10,627).

Disclosure of information comparability in the financial statements

The comparative figures are the figures of the audited financial statements for the year ended 31 December 2023.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, Vietnam

FORM B05/TCTD

Issued under Circular No. 49/2014/TT-NHNN
dated 31 December 2014 of the State Bank of Vietnam

2. BASIS FOR PREPARING FINANCIAL STATEMENTS AND FINANCIAL YEAR

Basis for preparing financial statements

The accompanying financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to financial reporting. However, due to the Bank’s large scale of operation, for the purpose of preparing these financial statements, the figures are rounded to and presented in millions of Vietnam Dong (VND million). This presentation does not materially impact the financial statements in terms of the financial position, results of operations and cash flows of the Bank. With regard to the number of shares, the Bank presented the items in units as presented in Note 23.3.

The accompanying financial statements are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices which are generally accepted in countries and jurisdictions other than Vietnam.

Financial year

The Bank’s accounting period begins on 01 January and ends on 31 December.

3. ADOPTION OF NEW GUIDANCE AND NEW GUIDANCE IN ISSUE BUT NOT YET EFFECTIVE

Adoption of new guidance

Law on Credit Institutions No. 32/2024/QH15

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

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

On 30 June 2024, the SBV issued Circular No. 31/2024/TT-NHNN regulating the classification of assets in the operations of commercial banks, non-bank credit institutions, and foreign bank branches (“Circular 31”). Circular 31 takes effect from 01 July 2024.

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

According to Circular 31, Circular No. 11/2021/TT-NHNN issued by the SBV on 30 July 2021 regulating the classification of assets, provision levels, methods of risk provisioning and the use of provisions to handle risks in the operations of credit institutions and foreign bank branches (“Circular 11”) ceases to be effective from the effective date of Circular 31.

The Bank applies the provisions of Circular 31 and Decree 86 prospectively from the effective date of Circular 31 and Decree 86. Significant changes in the Bank’s accounting policies and impacts on the financial statements, if any, are presented in Note 04.

Circular No. 21/2024/TT-NHNN

On 28 June 2024, the SBV issued Circular No. 21/2024/TT-NHNN regulating letter of credit operations and other business activities related to letters of credit (“Circular 21”). Circular 21 takes effect from 01 July 2024. The Bank applies the provisions of Circular 21 prospectively from the effective date of Circular 21. The application of Circular 21 does not have a material impact on the Bank’s financial statements. Significant changes in the Bank’s accounting policies and the impacts on the financial statements, if any, are disclosed in Note 04.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward,
Hoan Kiem District, Hanoi, Vietnam

FORM B05/TCTD

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Circular No. 06/2024/TT-NHNN

On 18 June 2024, the SBV issued Circular No. 06/2024/TT-NHNN ("Circular 06") amending and supplementing a number of articles of Circular No. 02/2023/TT-NHNN ("Circular 02") dated 23 April 2023 of the SBV regulating credit institutions' debt repayment restructuring and maintaining the same debt group to support customers facing difficulties. Accordingly, Circular 06 stipulates that the debt repayment restructuring for customers as prescribed in this Circular shall be implemented from the effective date of this Circular until 31 December 2024. Circular 06 takes effect from 18 June 2024.

Circular 53/2024/TT-NHNN and Decision 1510/QD-TTg

On 04 December 2024, the SBV issued Circular No. 53/2024/TT-NHNN ("Circular 53") regulating the restructuring of debt repayment terms for customers facing difficulties due to the impact and damage of Storm No. 3, floods, landslides in the aftermath of Storm No. 3. Accordingly, Circular 53 stipulates that the restructuring of debt repayment terms for customers according to the provisions of this Circular shall be implemented from the effective date of this Circular until 31 December 2025. Circular 53 takes effect from 04 December 2024.

On the same day, the Prime Minister issued Decision No. 1510/QD-TTg on the classification of assets, the level of risk provisioning, the method of risk provisioning and the use of provisions to handle risks for debts of customers facing difficulties due to the impact and damage of storm No. 3. Significant changes in the Bank's accounting policies and the impacts on the financial statements, if any, are presented in Note 4.

The Bank's Board of Management has applied the aforementioned Laws, Decisions and Circulars in the financial reporting of the year ended 31 December 2024.

New guidance in issue but not yet effective

Law No. 56/2024/QH15 dated 29 November 2024

On 29 November 2024, the National Assembly issued Law No. 56/2024/QH15 ("Law 56") amending Law on Securities, Law on Accounting, Law on Independent Audit, Law on State Budget, Law on Management and Use of Public Property, Law on Tax Administration, Law on Personal Income Tax, Law on National Reserves and Law on Penalties for Administrative Violations. Law 56 takes effect from 01 January 2025, except for certain articles which shall be effective from 01 April 2025 and 01 January 2026.

The Board of Management assesses that the adoption of the Law 56 may not have any material impact on the comparative figures of the Bank's separate financial statements in future periods.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Foreign currency

All transactions are recorded in original currencies. Monetary assets and liabilities denominated in foreign currencies are translated into VND using the average buying and selling spot exchange rates ("spot exchange rate") at the close of business of the period-end date if the difference between this spot rate and the weighted average buying and selling exchange rate of the same day is less than 1% (see details of exchange rates of main foreign currencies applied as of 31 December 2024 and 31 December 2023 in Note 50). In case the difference between this spot rate and the weighted average buying and selling exchange rate of the same day is higher than or equal to 1%, the Bank uses the weighted average buying and selling exchange rates ruling at the period-end date for conversion.

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FORM B05/TCTD

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dated 31 December 2014 of the State Bank of Vietnam

Non-monetary items dominated in foreign currencies are translated into VND at the spot exchange rate ruling on transaction date.

Income and expenses in foreign currencies are translated into VND at the spot exchange rate ruling on transaction dates.

Exchange differences arising from the translation of monetary assets and liabilities from foreign currencies into VND at the monthly reporting date are recorded in the "Foreign exchange reserve" item under the "Owner's equity" section in the statement of financial position and are recognized in the income statement upon the period end reporting.

Accounting estimates

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

Cash and cash equivalents

Cash and cash equivalents comprises cash, gold, deposits at SBV, deposits at other credit institutions, loans to other credit institutions with original term of not exceeding three months, Government treasury bills and other short-term valuable papers which are eligible for discount with SBV, securities investments with recovery or maturity period not exceeding three months from the acquisition date that are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

Deposits with and loans to other credit institutions

Deposits with other credit institutions comprise current deposits and deposits at other credit institutions with original terms of not exceeding three months. Loans to other credit institution are loans with original terms to maturity of not exceeding twelve months.

Deposits with other credit institutions, and loans to other credit institutions are stated at the amount of balances.

Demand deposits with other credit institutions are recorded at their principal balances.

Debt classification of term deposits with other credit institutions (except for deposits with Vietnam Bank for Social Policies in accordance with the regulations of the SBV on state-owned credit institutions maintaining deposit balances with Vietnam Bank for Social Policies - VBSP) and loans to other credit institutions and allowance thereof is stated in "Debt classification, allowance level and calculation method of allowance for credit losses".

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

Trading securities

Classification

Trading securities are debt or equity securities purchased which are acquired principally for the purpose of selling in the short-term or there is evidence of a recent pattern of short-term profit-taking.

Recognition

The Bank recognizes trading securities at the time the Bank obtains ownership, specifically as follows:

- Listed securities: recognized at the time of order matching (T+0).
- Unlisted securities: recognized when legal ownership is obtained.

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

LPB Tower, No. 210 Tran Quang Khai Street, Trang Tien Ward, Hoan Kiem District, Hanoi, Vietnam

FORM B05/TCTD

Issued under Circular No. 49/2014/TT-NHNN dated 31 December 2014 of the State Bank of Vietnam

NOTES TO THE FINANCIAL STATEMENTS (Continued)

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

Measurement

Trading securities are recognized at cost less any provision for trading securities risk. The provision for trading securities risk includes a provision for impairment, which is made when there is evidence that the market value of the trading securities is lower than the carrying amount on the accounting records. The provision for impairment of trading securities mentioned above will be reversed when the recoverable value of the trading securities increases after the provision has been recognized. The provision can only be reversed to the extent that the carrying amount of the trading securities does not exceed the carrying amount that would have been determined had no provision been recognized.

As of 31 December 2024 and 31 December 2023, trading securities consist of foreign open-end fund certificates.

Derecognition

Trading securities are derecognised when the contractual rights to the cash flows from these securities expired or when the significant risks and rewards of ownership of these securities have been transferred.

Loans to customers

Loans to customers are stated at the amount of the principal balance less allowance for loans to customers.

Short-term loans are those with maturity term within 1 year from the loan disbursement date. Medium-term loans are those with maturity term from 1 year to 5 years from the loan disbursement date. Long-term loans are those with maturity term of more than 5 years from the loan disbursement date.

Debt classification and allowance for credit losses are made in accordance with Circulars, Decrees described in Notes “Debt classification, allowance level and calculation method of allowance for credit losses”.

Debt classification, allowance level and calculation method of allowance for credit losses

Debt classification

Before 01 July 2024

The classification of debt for deposits at other credit institutions (excluding demand deposits, deposits at VBSP as stipulated by the SBV regarding state-owned credit institutions maintaining deposit balances at VBSP); purchase or entrusted purchase of unlisted corporate bonds (including bonds issued by other credit institutions) not listed on the stock market or not registered for trading on the Upcom trading system (collectively referred to as "unlisted bonds"); loans to customers and loans to other credit institutions (including loans, financial leases, discounts, rediscounts of transferable instruments and other valuable papers, factoring, credit issuance in the form of credit card issuance, and off-balance sheet commitments); entrusted credit extension; debts sold but not fully collected; repurchased debts; Government bond repurchase agreements; purchase of certificates of deposit, promissory notes, and bills of exchange issued by other credit institutions are carried out based on quantitative factors as stipulated in Article 10 of Circular 11.

From 01 July 2024

The classification of debt for deposits at other credit institutions (excluding demand deposits, deposits at VBSP as stipulated by the SBV regarding state-owned credit institutions maintaining deposit balances at VBSP); purchase or entrusted purchase of unlisted corporate bonds (including bonds issued by other credit institutions) not listed on the stock market or not registered for trading on the Upcom trading system (collectively referred to as "unlisted bonds"); loans to customers and loans to other credit institutions (including loans, financial leases, discounts, rediscounts of

FORTUNE VIETNAM JOINT STOCK COMMERCIAL BANK

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transferable instruments and other valuable papers, factoring, credit issuance in the form of credit card issuance, and off-balance sheet commitments); entrusted credit extension; debts sold but not fully collected; repurchased debts, Government bond repurchase agreements; certificates of deposit issued by other credit institutions; receivables arising from outright purchase without recourse of documents presented under letters of credit (except for outright purchase without recourse of documents under letters

of credit issued by the Bank itself); reimbursing bank amounts for payments made to beneficiaries under Usance Payable at Sight (UPAS) letter of credit (L/C) that allow the beneficiary to be paid immediately or before the L/C due date issued by the Bank (collectively referred to as "debts") are carried out based on quantitative factors as stipulated in Article 10 of Circular 31. The Bank performs monthly debt classification based on the principal balances as of the last day of the month as follows:

NO.	GROUP	Overdue status
1.	Standard	(a) Loans that are within the due date and are assessed as fully recoverable on due, including both principal and interest; or (b) Loans that are overdue for less than 10 days and are assessed as fully recoverable, including both principal and overdue interest, and the remaining principal and interest will be fully recovered on time.
2.	Special mention	(a) Loans overdue from 10 days to 90 days; or (b) Loans with the first rescheduled repayment term still within the due date.
3.	Sub-standard	(a) Loans overdue from 91 days to 180 days; or (b) Loans with the first extension of the repayment term still within the due date; or (c) Loans with interest exemption or reduction due to the customer's inability to fully repay the interest according to the credit contract; or (d) Loans that fall into any of the following cases that have not been recovered within 30 days from the date of the recovery decision: <ul style="list-style-type: none"> Loans violating the provisions in Clauses 1, 3, 4, 5, and 6 of Article 134 of the Law on Credit Institutions; or Loans violating the provisions in Clauses 1, 2, 3, and 4 of Article 135 of the Law on Credit Institutions; or Loans violating the provisions in Clauses 1, 2, 5, and 9 of Article 136 of the Law on Credit Institutions; (e) Loans within the recovery period according to the conclusion of an inspection or audit; or (f) Loans to be recovered according to the decision of early debt recovery due to customer breach of agreement, which have not been recovered within 30 days from the date of the recovery decision.

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NO.	GROUP	Overdue status
4.	Doubtful	<ul style="list-style-type: none"> (a) Loans overdue from 181 days to 360 days; or (b) Loans with the first restructuring of the repayment term overdue up to 90 days according to the first restructured repayment term; or (c) Loans with the second restructuring of the repayment term still within the due date; or (d) Loans specified in point (d) of sub-standard loans that have not been recovered within 30 to 60 days from the date of the recovery decision; or (e) Loans to be recovered according to the conclusion of an inspection, but recovery has not been completed within 60 days from the deadline for recovery as stated in the inspection conclusion; or (f) Loans to be recovered according to the decision of early debt recovery due to customer breach of agreement, which have not been recovered within 30 to 60 days from the date of the recovery decision.
5.	Loss	<ul style="list-style-type: none"> (a) Loans overdue for more than 360 days; or (b) Loans with the first restructuring of the repayment term overdue for 91 days or more according to the first restructured repayment term; or (c) Loans with the second restructuring of the repayment term overdue according to the second restructured repayment term; or (d) Loans with the third or subsequent restructuring of the repayment term, whether overdue or not; or (e) Loans specified in point (d) of sub-standard loans that have not been recovered within more than 60 days from the date of the recovery decision; or (f) Loans to be recovered according to the conclusion of an inspection, but recovery has not been completed within more than 60 days from the deadline for recovery as stated in the inspection conclusion; or (g) Loans to be recovered according to the decision of early debt recovery due to customer breach of agreement, which have not been recovered for more than 60 days from the date of the recovery decision; or (h) Loans from customers who are credit institutions declared by the SBV to be in special control status, or foreign bank branches whose capital and assets are frozen.

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

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

Non-performing loans are debts under Groups 3, 4 and 5.

If a customer has more than one loan from the Bank, one of which is transferred to a higher risk group, The Bank shall classify the remaining loans of that customer to the highest risk loan group. When the Bank participates in a syndicated loan, the Bank classifies the debts (including syndicated loans) of that customer into the higher risk group between the assessment of the banks participating in the syndicated loan and the Bank's assessment.

The Bank also collects debt classification results of the customers provided by the National Credit Information Center of the SBV ("CIC") at the date of debt classification to adjust its own classification of debts. If a customer's debts and off-balance-sheet commitments are classified in a debt group that has a lower risk than the groups provided in CIC list, the Bank shall adjust its classification of debts and off-balance sheet commitments following the groups provided by CIC.

Debt classification for loans having rescheduled debt repayment term, exempted or reduced interest and fees in order to support customers affected by Covid-19 pandemic

The Bank has adopted Circular No. 01/2020/TT-NHNN dated 13 March 2020 ("Circular 01") issued by the SBV

on providing regulations on restructuring of loan repayment periods, exemption/reduction of interest/fees and keeping loan groups unchanged to assist customers affected by the Covid-19 pandemic, Circular No. 03/2021/TT-NHNN dated 2 April 2021 ("Circular 03") issued by the SBV on amending and supplementing to some articles of Circular 01 and Circular No. 14/2021/TT-NHNN dated 07 September 2021 ("Circular 14") issued by the SBV on amending and supplementing to some articles of Circular 01. Accordingly, for customers whose loans:

- Disbursed before 1 August 2021;
- Whole payment terms of principals and/or interest fall in period from 23 January 2020 to 30 June 2022;
- The outstanding balance of the debt is restructured in one of the following cases: the outstanding balance is within the due date or overdue for up to 10 days from the due date, the repayment period according to the contract or agreement; or the outstanding balance of the debt arising before 23 January 2020 and overdue in the period from 23 January 2020 to 29 March 2020; or the outstanding balance of the debt arising in the period from 23 January 2020 to before 10 June 2020 and overdue before 17 May 2021; or the outstanding balance of the debt incurred between 10 June 2020 and before 01 August 2021 and overdue between 17 July 2021 and before 07 September 2021;
- These customers are unable to repay the principal and/or interest on schedule under the agreement due to decrease in revenue or income caused by Covid-19 pandemic;
- And not violate the law.

the Bank is allowed to reschedule loan repayment periods, grant exemption/reduction of interest/fees and maintain loan groups as follows:

Outstanding debt	Debt classification
Debt incurred before 23 January 2020	Maintain the debt group as classified at the most recent time before 23 January 2020.
The debt arising from 23 January 2020, to before 01 August 2021.	<ul style="list-style-type: none"> • Maintain the debt group as classified at the most recent time before the first debt restructuring date; or • Maintain the debt group as classified at the most recent time before the debt became overdue; or • Maintain the debt group as classified at the most recent time before the first interest waiver or reduction date.

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The Bank shall base on prevailed regulations on debt classification in the operations of credit institutions to classify debts with restructured repayment terms, exempted or reduced interest and fees, and maintain the debt group according to the provisions of Circular 01, Circular 03, Circular 14 for assets with no outstanding debt that has been restructured.

Debt classification for loans having rescheduled debt repayment term and retention of debt group to assist borrowers of business loans and consumer loans in difficulties

The Bank has applied Circular No. 02/2023/TT-NHNN dated 23 April 2023 ("Circular 02") issued by the SBV providing regulations on restructuring debt repayment terms and maintaining debt group unchanged to support customers in difficulty and Circular No. 06/2024/TT-NHNN dated 18 June 2024 ("Circular 06") issued by the SBV amending and supplementing a number of articles of Circular 02. Accordingly, for customers

- Whose loans are disbursed before 24 April 2023;
- Whose payment terms of principals and/or interest fall in period from 24 April 2023 to 31 December 2024;
- The outstanding balance of the debt with a restructured repayment term is still due or overdue for up to 10 (ten) days from the payment due date, the repayment term according to the contract or agreement; the Bank assesses that the customer is unable to repay the principal and/or interest on time according to the contract or agreement due to a decrease in revenue and income compared to the revenue and income in the principal and/or interest repayment plan according to the contract or agreement; the Bank assesses that the customer is able to fully repay the principal and/or interest according to the restructured repayment term;
- And not violate the law.

The Bank is allowed to restructure the debt repayment period and keep the debt group the same as the debt group at the most recent time before restructuring the debt repayment period.

Debt classification for debts with restructured repayment terms for customers facing difficulties due to the impact and damage of storm No. 3, floods, landslides in the aftermath of storm No. 3

The Bank applies Circular No. 53/2024/TT-NHNN dated 04 December 2024 ("Circular 53") issued by the SBV regulating the restructuring of debt repayment terms for customers facing difficulties due to the impact and damage of storm No. 3, floods, landslides in the aftermath of storm No. 3. Accordingly, for the outstanding principal and interest of debts:

- Arising in the provinces and centrally-run cities: Ha Giang, Cao Bang, Lang Son, Bac Giang, Phu Tho, Thai Nguyen, Bac Kan, Tuyen Quang, Lao Cai, Yen Bai, Lai Chau, Son La, Dien Bien, Hoa Binh, Hanoi, Hai Phong, Hai Duong, Hung Yen, Vinh Phuc, Bac Ninh, Thai Binh, Nam Dinh, Ha Nam, Ninh Binh, Quang Ninh, Thanh Hoa (hereinafter referred to as 26 provinces and cities) facing difficulties due to the impact and damage of storm No. 3, including:
 - o Customers who are individuals with current residence or work or have production and business establishments or have investment, construction, production and business activities in 26 provinces and cities;
 - o Customers who are organizations (except customers who are credit institutions, foreign bank branches) with headquarters, branches, representative offices or production and business establishments or have investment, construction, production and business activities in 26 provinces and cities.
- Have outstanding principal arising before 7 September 2024 and from lending activities;
- Have the obligation to repay principal and interest in the period from 7 September 2024 to 31 December 2025;
- The outstanding balance of the debt with a restructured repayment term is still due or overdue for up to

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10 days from the agreed payment due date. The outstanding balance of the debt that is overdue for more than 10 days and overdue in the period from 7 September 2024 to 16 December 2024 is restructured for the repayment term when restructuring for the first time according to Circular 53;

- The Bank assesses that the debt is having difficulty in repaying the principal and interest on time according to the agreed contract due to the impact and damage of storm No. 3 and is able to fully repay the principal and interest according to the restructured repayment term;
- And does not violate the provisions of law.

The Bank is allowed to restructure the debt repayment period and classify debts according to Decision No. 1510/QĐ-TTg dated 04 December 2024 ("Decision 1510") issued by the Prime Minister on the classification of assets, the level of risk provisioning, the method of risk provisioning and the use of provisions to handle risks for debts of customers facing difficulties due to the impact and damage of storm No. 3 as follows:

- The debt group is kept the same as the debt group classified at the most recent time before 07 September 2024 during the debt repayment period restructuring period;
- The Bank is not required to adjust or reclassify into a debt group with a higher risk level for debts that are

kept in the same debt group and are still within the term according to the restructuring period;

- If the debt is kept in the overdue debt group according to the restructuring period but is not further restructured for the repayment period or there is no outstanding debt that is restructured for the repayment period according to Circular 53, the Bank must classify the debt according to the regulations of the State Bank on classification of assets in the operations of credit institutions and foreign bank branches.

Allowance for credit losses

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

Specific allowance for credit losses

According to the provisions of Circular 11 (before 01 July 2024) and Decree 86 (from 01 July 2024), the Bank provides specific allowance for credit losses at the end of each month based on the allowance rates corresponding to debt classification results and outstanding principals of debts at the last day of the month less the converted value of collateral assets. Specific provisions as at 31 December 2024 are calculated based on the results of debt classification and principal balance as at 31 December 2024. The specific credit risk provision ratio for each debt group is as follows:

Group	Category	Specific provision rate
1	Standard	0%
2	Special mention	5%
3	Substandard	20%
4	Doubtful	50%
5	Loss	100%

The value and maximum discount rate of collateral are determined according to the provisions of Circular 11 (before 01 July 2024) and Decree 86 (from 01 July 2024) whereby each type of collateral has a certain maximum discount rate for the purpose of calculating allowance for credit losses.

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Additional specific provision under Circular 03

The Bank determines and records the specific allowance amount required to be added for the entire outstanding loan balance of customers on an annual basis, including the loan balances with repayment period rescheduled, interest exempted or reduced according to the loan classifications in accordance with prevailing regulations (if the regulations on retaining loan groups under the provisions of Circular 01, Circular 03 and Circular 14 are not applied) as follows:

- Until 31 December 2021: At least 30% of the additional specific allowance amount shall be made
- Until 31 December 2022: At least 60% of the additional specific allowance amount shall be made
- Until 31 December 2023: 100% of the additional specific allowance amount shall be made

The Bank has made full provision for the specific amount of additional provisions required according to the time limits as prescribed above. From 1 January 2024, the Bank shall, based on current regulations on risk provisions in the operations of credit institutions, make risk provisions for debts with restructured repayment terms, exempted or reduced interest and fees, and maintained in the same debt group as prescribed in Circular 01, Circular 03 and Circular 14.

Additional specific provision under Circular 02, Circular 06

The Bank determines and records the specific allowance amount required to be added for the entire outstanding loans of customers on an annual basis, including the loan balances with repayment period rescheduled according to the loan classifications in accordance with Circular 02 and Circular 06 as follows:

- Until 31 December 2023: At least 50% of the additional specific allowance amount shall be made
- Until 31 December 2024: 100% of the additional specific allowance amount shall be made

As at 31 December 2024, the Bank has made 100% of the specific additional provisions required as prescribed above.

Additional specific provision under Decision 1510

The Bank determines and records the additional amount of specific provisions required for all outstanding debts of customers whose repayment terms are restructured and whose debt groups are maintained in accordance with Circular 53 and Decision 1510 as follows:

- Until 31 December 2024: At least 35% of the specific provision amount must be supplemented.
- Until 31 December 2025: Supplement to reach at least 70% of the specific provision amount that must be supplemented.

For debts that are restructured according to the regulations of the SBV on credit institutions and foreign bank branches restructuring the repayment period for customers facing difficulties due to the impact and damage caused by Storm No. 3 before 01 January 2025, the Bank must make provision in 2025 at a minimum rate specified in item (i).

- Until 31 December 2026: Supplement the remaining amount to reach 100% of the specific provision amount that must be supplemented.

For debts that are restructured according to the regulations of the SBV on credit institutions and foreign bank branches restructuring the repayment period for customers facing difficulties due to the impact and damage caused by Storm No. 3 before 01 January 2026, the Bank must make provision in 2026 at a minimum rate specified in item (ii).

As at 31 December 2024, the Bank is not required to make specific provisions in accordance with the above provisions.

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General Credit Risk Provision

According to Circular 11 (before 01 July 2024) and Decree 86 (from 01 July 2024), a general credit risk provision is also made at a rate of 0.75% of the total outstanding balance of loans as of the last day of the month, excluding deposits and loans to other credit institutions, bonds issued by other credit institutions, and debts classified as non-performing loans. The general provision as of 31 December 2024, is calculated based on the loan classification results and the principal outstanding balance as of 31 December 2024.

Bad debt written-off

According to Decree 86, customer loans will be written off using the provision when they are classified into Group 5 or when the borrower declares bankruptcy or dissolution (in the case of corporate borrowers), or when the borrowing customer dies or goes missing (in the case of individual borrowers).

Debts that have been written off using the provision are properly recorded off-balance-sheet for debt monitoring and collection. The amount recovered from debts written off is recognized in the income statement when collected.

Classification and provision for off-balance-sheet commitments

According to Circular 11 (before 01 July 2024) and Decree 86 (from 01 July 2024), the classification of off-balance sheet credit commitments is carried out solely for the purpose of managing and monitoring the quality of credit activities. Banks do not make provision for off-balance-sheet commitments, unless the bank is required to fulfill a payment obligation under a guarantee contract, in which case, this payment is classified as a debt and a provision is made according to the accounting policy presented in "Debt Classification" and "Credit Risk Provision."

Debt purchased

Debt purchased

Debts purchased are recognized in the financial statements at the purchase price stated in the contract and monitored off-balance-sheet based on the principal outstanding balance and accrued interest before the purchase. Interest income from purchased debts is

recognized in the income statement on an accrual basis from the purchase date, except for purchased debts classified from Group 2 to Group 5 as presented in "Debt classification, allowance level and calculation method of allowance for credit losses." Interest accrued before the bank purchased the debt is deducted from the value of the purchased debt.

Provision for risks in debt purchased activities

Purchased debts are classified into a risk group no lower than the group to which the debt was classified by the seller before the purchase, as stipulated in Circular 11 (before 01 July 2024) and Circular 31 (from 01 July 2024), and provisions are made according to the method presented in "Debt classification, allowance level and calculation method of allowance for credit losses."

Investment securities

Classification

Investment securities include securities available for sale. The Bank classifies investment securities at the time of purchase as either securities available for sale or securities held to maturity. According to Official Letter No. 2601/NHNN-TCKT issued by the SBV on 14 April 2009, for the investment securities category, the Bank is allowed to reclassify them no more than one time after the initial classification at the time of purchase.

Securities available for sale are debt or equity securities held for an indefinite period and can be sold at any time.

Recognition

The Bank recognizes investment securities at the time it assumes the majority of the risks and benefits of owning these securities.

Measurement

Debt securities

Debt securities available for sale are initially recognized at cost, including the purchase price plus directly related costs such as brokerage fees, transaction fees, information provision fees, taxes, duties, and bank fees (if any).

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Subsequently, these securities are recognized at amortized cost (adjusted for the amortization of discounts and premiums) less any provision for securities risks (including credit risk provisions and securities impairment provisions). Premiums and discounts arising from the purchase of debt securities are amortized into the income statement using the straight-line method over the holding period.

Listed debt securities available for sale are classified as investment securities and are recognized at cost less any impairment provision by referencing the most recent transaction on the Stock Exchange within 10 days prior to the end of the financial year. If there are no transactions within 10 days prior to the end of the financial year, the Bank does not make provision for these debt securities. The Bank does not make provision provisions for Government bonds, Government-guaranteed bonds, or local Government bonds classified as investment securities.

Unlisted corporate bonds available for sale are recognized at cost. The credit risk provision for debt securities available for sale is calculated using the method presented in "Credit Risk Provision."

Interest income from debt securities available for sale after purchase is recognized in the income statement on an accrual basis, except for interest from unlisted corporate bonds classified from Group 2 to Group 5, which is recognized on a cash basis (when received). Accrued interest before the Bank's purchase is deducted from the cost of the debt securities upon receipt.

The provision for investment securities risk mentioned above will be reversed when the market price or the recoverable value of the investment securities increases after the provision has been recognized. The provision can only be reversed to the extent that the carrying amount of these securities does not

exceed their carrying amount assuming no provision had been recognized previously.

Derecognition

Investment securities available for sale are derecognized when the rights to receive cash flows from these securities have expired or when the Bank has transferred substantially all the risks and rewards associated with the ownership of these securities.

Repurchase and reverse repurchase agreements

Securities sold under an agreement to repurchase at a specified future date are still recognized in the financial statements. The proceeds received under such agreements are recorded as borrowings in the statement of financial position, and the difference between the sale price and the repurchase price is recognized in the income statement based on the contract interest rate over the term of the agreement.

Conversely, securities purchased under an agreement to resell at a specified future date are not recognized in the financial statements. The payment made under such agreements is recorded as a loan in the statement of financial position, and the difference between the purchase price and the resale price is recognized in the income statement based on the contract interest rate over the term of the agreement.

Other long-term investments

Other long-term investments refer to long-term equity investment in other companies where the Bank does not have control or significant influence. These long-term investments are initially recognized at cost at the time of investment. After initial recognition, these investments are measured at cost less any provision for impairment.

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Provision for impairment of long-term investments

A provision for impairment of long-term investments is established when the economic entities in which the Bank has invested incur losses, leading to the Bank's potential loss of capital, unless there is evidence that the value of the investment has not declined. The impairment provision is calculated as the total actual investment capital of the owners in the invested economic entity minus (-) the equity of the invested economic entity, multiplied by (x) the Bank's actual contributed capital ratio in the invested economic entity at the time the provision is made.

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

Tangible fixed assets

Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of tangible fixed assets includes the purchase price of the asset, including import duties, non-refundable input taxes, and directly attributable costs necessary to bring the asset to the location and condition for its intended use. Costs incurred after the tangible fixed asset has been put into operation, such as repair, maintenance, and overhaul costs, are charged to expenses for the year in which the costs are incurred. If it can be clearly demonstrated that these costs increase the future economic benefits expected to be derived from the use of the tangible fixed asset beyond its originally assessed standard performance, these costs are capitalized as an additional cost of the tangible fixed asset.

Depreciation

Depreciation is calculated using the straight-line method based on the estimated useful life of the tangible fixed asset. The estimated useful lives are as follows:

Asset	Years
Asset	Estimated Useful Life
Buildings and structures	15 - 50
Machinery and equipment	8 - 15
Motor vehicles	10
Office Equipment and Tools	3 - 10
Other Tangible Fixed Assets	3 - 10

Gains or losses arising from the disposal or sale of assets are recognized as the difference between the proceeds from the disposal or sale of assets and the carrying value of the asset, net of any disposal expense, and are recorded in the income statement.

Intangible assets

Leasehold land rights

Land use rights with a defined term are recorded at cost less accumulated amortization. The initial cost of land use rights includes the purchase price and directly related costs incurred to obtain the land use rights. Amortization is calculated using the straight-line method over the term of the land use rights.

Computer software

The cost of new computer software, which is not an integral part of related hardware, is capitalized and accounted for as an intangible asset. Computer software is amortized using the straight-line method over a period of 15 years.

Gains or losses arising from the disposal or sale of assets are recognized as the difference between the proceeds from the disposal or sale of assets and the carrying value of the asset, net of any disposal expense, and are recorded in the income statement.

Prepaid expenses

Prepaid expenses include capitalized office renovation costs awaiting allocation, prepaid office rent, and other prepaid expenses.

Capitalized office renovation costs are allocated to the income statement using the straight-line method over a period of 3 years. Prepaid office rent represents the amount of office rent paid in advance. Prepaid office rent is allocated to the income statement using the straight-line method over the lease term.

Other long-term prepaid expenses include repair and maintenance costs, tools, and equipment that have been issued and are expected to provide future economic benefits to the Bank. These costs are capitalized as prepaid expenses and allocated to the income statement using the straight-line method over a period of one year or more, but not exceeding three years, in accordance with current accounting regulations.

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Other assets

Construction in progress

Construction in progress reflects costs incurred for the construction or development of fixed assets and intangible assets that are not yet completed or installed. Depreciation is not calculated for construction in progress during the construction and upgrade period.

Collateral received for disposal

Collateral received for disposal refers to pledged assets whose ownership has been transferred to the Bank. For pledged assets whose ownership has not been transferred to the Bank, the Bank monitors them off-balance sheet.

Receivables for other assets

Receivables for other assets are classified as other credit risk assets and are recorded at cost less any provision for risk, if applicable. These receivables are subject to the Bank's debt classification and credit

risk provisioning policies as outlined in "Debt classification, allowance level and calculation method of allowance for credit losses."

Other assets

Other assets, excluding receivables from credit activities, are recorded at cost less provisions for on-balance sheet assets.

Provisions for on-balance-sheet assets are made based on the overdue period of the debt or the expected loss in cases where the debt is not yet due but the economic entity is bankrupt or in the process of dissolution; the debtor is missing, has fled, is being prosecuted, on a trial, or serving a sentence, or has died. Provision expenses are recorded as operating expenses in the accounting period.

For overdue assets, the Bank applies the following provisioning rates based on the overdue period:

Overdue period	Provision Rate
Over 6 months to less than 01 year	30%
01 year to less than 02 years	50%
02 year to less than 03 years	70%
03 years or more	100%

Provisions for on-balance-sheet assets are made for potential losses on debts that are not yet due, as determined by the Bank after considering the recoverability of these debts.

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Other Provisions

A provision, excluding the provisions outlined in "Debt classification, allowance level and calculation method of allowance for credit losses," "Debt Purchase Activities," "Investment Securities," "Other Long-term Investments," and "Other Assets," is recognized if, as a result of a past event, the Bank has a present legal or constructive obligation that can be reliably estimated, and it is probable that future economic benefits will be reduced to settle the liabilities arising from that obligation. The provision is determined by discounting the expected future cash outflows using a pre-tax discount rate that reflects the current market assessment of the time value of money and the specific risks associated with the liability.

Financial derivatives

Forward and currency swap contracts

The Bank enters into forward and currency swap contracts to facilitate customers in transferring, adjusting, or reducing foreign exchange risks or other market risks, while also serving the Bank's business purposes.

Currency forward contracts are commitments to settle in cash at a future date based on the difference between predetermined exchange rates, calculated on the notional principal amount. Forward contracts are recognized at their nominal value on the transaction date and are revalued for financial reporting purposes at the spot exchange rate at the end of the financial year. They are presented at net value on the statement of financial position.

Revaluation differences at the end of the period are recorded under the "Exchange Rate Differences" item on the monthly statement of financial position and are transferred to the income statement at the end of the accounting period or upon contract maturity. The difference between the VND value of the foreign currency amount committed to buy/sell at the forward rate and the spot rate is allocated to the income statement using the straight-line method over the term of these contracts.

Currency swap contracts are commitments to buy and sell the same amount of foreign currency (only two currencies are used in the transaction) with the same counterparty, where one transaction has a spot settle-

ment date and the other has a future settlement date. The exchange rates for both transactions are determined simultaneously at the spot transaction confirmation date. Any premium or discount arising from the difference between the spot exchange rate on the contract's effective date and the forward rate is recognized immediately on the contract's effective date as an asset if positive or a liability if negative on the statement of financial position. This difference is allocated to the income statement using the straight-line method over the term of the swap contract.

Interest rate swap Contracts

Interest rate swap contracts are commitments to pay interest calculated at a floating or fixed rate on the same notional principal amount. The notional principal amount in single-currency interest rate swaps is not recognized on the statement of financial position. For dual-currency interest rate swaps with initial principal exchange, the notional principal amount is recognized on the statement of financial position. Interest income and expenses arising from the notional principal amount are recognized in the income statement on an accrual basis.

Government and SBV liabilities

Government and SBV liabilities are recognized at cost.

Deposits and borrowings from other credit institutions

Deposits and borrowings from other credit institutions are recognized at cost.

Deposits from customers

Deposits from customers are recognized at cost.

Issued debt securities

Issued debt securities are recognized at cost less any allocated premiums or discounts. The cost of issued debt securities includes the proceeds received from the issuance, net of directly attributable issuance costs.

Other payables

Other payables are recognized at cost.

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Severance allowance and unemployment insurance

Under the Vietnamese Labor Code, when employees who have worked for the Bank for 12 months or more ("eligible employees") voluntarily terminate their employment contracts, the employer is required to pay severance allowance to such employees based on their years of service and their salary at the time of termination. Prior to 2012, the provision for severance allowance was made based on the number of years employees had worked for the Bank and their average salary over the six months preceding the end of the financial year. For the purpose of determining the years of service, the period during which employees had participated in unemployment insurance as required by law and the period for which the Bank had already paid severance allowance were excluded.

On 24 October 2012, the Ministry of Finance issued Circular No. 180/2012/TT-BTC ("Circular 180") providing guidance on the financial treatment of job loss allowances for employees in enterprises. This Circular stipulates that when preparing the financial statements for 2012, if the provision fund for job loss allowances has a remaining balance, the enterprise must record an increase in other income for 2012 and is not allowed to carry forward the balance of the fund for use in subsequent years. Accordingly, the Bank reversed the remaining provision for severance allowance. This change in accounting policy was applied prospectively from 2012.

Under the Social Insurance Law, effective from 01 January 2009, the Bank and its employees are required to contribute to the unemployment insurance fund managed by the Vietnam Social Security. Unemployment insurance contributions made by the Bank for employees' working periods are recognized as expenses in the income statement when incurred. With the implementation of the unemployment insurance scheme, the Bank is no longer required to make provi-

sions for severance allowance for employees' working periods after 01 January 2009. However, severance allowance payable to eligible employees as of the end of the financial year will be determined based on the employees' years of service up to 31 December 2008, and their average salary over the six months preceding the termination date.

Share capital

Common shares

Common shares are classified as equity and are recognized at par value. Direct costs incurred in connection with the issuance of common shares are recognized as a deduction from share premium in equity.

Share premium

When receiving capital contributions from shareholders, the difference between the issue price and the par value of the shares is recognized in the share premium account within equity.

Reserve funds

The Bank is required to establish the following mandatory reserve funds before distributing profits: the Charter capital supplementary reserve and the Financial reserve. These mandatory reserve funds are not distributable and are recognized as part of equity. Other funds within equity are allocated from post-tax profits. The allocation from post-tax profits and the use of other funds must be approved by the General Meeting of Shareholders.

Charter capital supplementary reserve

Before 01 July 2024

According to Decree No. 93/2017/ND-CP ("Decree 93") issued by the Government of Vietnam on 7 August 2017, regarding the financial regime for credit institutions, the Bank annually allocates 5% of its post-tax profit to the Charter capital supplementary reserve. The maximum amount of this fund must not exceed the Bank's charter capital.

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From 01 July 2024

Under the 2024 Law on Credit Institutions, the Bank annually allocates 10% of its post-tax profit to the Charter capital supplementary reserve. The maximum amount of this fund must not exceed the Bank's charter capital.

Financial reserve

According to Decree 93, the Bank annually allocates 10% of its post-tax profit to the Financial reserve.

The Financial reserve is used to cover the remaining portion of losses or damages to assets incurred during business operations after compensation has been received from organizations or individuals responsible for the losses, from insurance organizations, and after using provision that had been made and charged to expenses. It may also be used for other purposes as prescribed by law.

Bonus and welfare fund

The Bonus and welfare fund is allocated from post-tax profits as decided by shareholders at the General Meeting of Shareholders. It is primarily used to reward and provide welfare benefits to the Bank's employees.

Revenue

Interest income

Interest income is recognized in the income statement on an accrual basis, except for interest from loans classified from Group 2 to Group 5 as presented in "Debt classification, allowance level and calculation method of allowance for credit losses," and loans restructured to remain in Group 1 (Standard loans) under special state policies as presented in "Debt classification, allowance level and calculation method of allowance for credit losses," which are recognized when the Bank actually receives the income.

When a loan is classified from Group 2 to Group 5 as presented in "Debt classification, allowance level and calculation method of allowance for credit losses," the accrued interest is reversed and recorded off-balance sheet. It is recognized in the income statement when collected.

When a loan remains classified as a performing loan (Group 1) due to the implementation of special state policies, the interest receivable generated during the

year for that loan is not recognized as income, and the Bank monitors it off-balance sheet. Interest income from such loans is recognized in the income statement when collected.

Service income

Service income includes fees and commissions received from payment services, guarantee services, treasury services, and other services. It is recognized in the income statement when earned.

Investment income

Income from the sale of securities is recognized in the income statement upon receiving the matching notification from the Vietnam Securities Depository and Clearing Corporation (formerly the Vietnam Securities Depository Center) (for listed securities) and upon completing the asset transfer agreement (for unlisted securities). It is determined based on the difference between the selling price and the average cost of the securities sold.

Cash dividends are recognized in the income statement when the Bank's right to receive dividends is established. Dividends received in the form of shares, bonus shares, and rights to purchase shares for existing shareholders, as well as share dividend from investee' retained earnings, are not recognized as an increase in the investment value, and the income is not recorded in the income statement. When receiving dividends in the form of shares, the Bank only reports the additional number of shares in the notes to the financial statements.

Dividends received related to the period before the investment was acquired are deducted from the carrying value of the investment.

Interest expenses

Interest expenses is recognized in the income statement on an accrual basis.

Service expenses

Service expenses are recognized in the income statement when incurred.

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Operating lease payments

Operating lease payments are recognized in the income statement on a straight-line basis over the lease term. Lease commissions received are recognized in the income statement as part of the total lease expense over the lease period.

Tax

Corporate income tax is calculated based on the profit of the year, including current income tax and deferred income tax. Corporate income tax is recognized in the income statement, except in cases where there are income tax items related to items recognized directly in equity. In such cases, the related income taxes are also recognized directly in equity.

Current income tax is the tax expected to be paid based on taxable income for the period, using the tax rates in effect at the end of the accounting period, and adjustments for tax payable related to previous years.

Deferred income tax is calculated based on the financial reporting method for temporary differences between the carrying amount for financial reporting purposes and the tax basis of assets and liabilities. The value of deferred income tax is recognized based on the expected manner of recovery or settlement of the carrying amounts of assets and liabilities, using tax rates in effect or substantially in effect at the end of the accounting period. Deferred tax assets are only recognized to the extent that it is probable that there will be sufficient future taxable income to utilize these tax benefits. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefits will be realized.

The determination of corporate income tax payable and deferred income tax for the Bank is based on current tax regulations. However, these regulations change periodically, and the final determination of

corporate income tax depends on the results of inspections by the competent tax authorities.

Related parties

Entities are considered related parties to the Bank if one party has the ability, directly or indirectly, to control the other party or to significantly influence the other party in making financial and operational decisions, or if both the Bank and the other party are subject to joint control or significant common influence. Related parties can include companies or individuals, including close family members of individuals considered related.

A party is considered related to the Bank if:

(a) Directly or indirectly through one or more intermediaries, the party has control over or is controlled or jointly controlled by the Bank (including parents and subsidiaries), contributes capital to the Bank and therefore has significant influence over the Bank; has joint control over the Bank;

(b) Associates (as defined in Accounting Standard No. 07 "Accounting for Investments in Associates");

(c) Individuals who have direct or indirect voting power in the reporting enterprise that results in significant influence over the enterprise, including close family members of these individuals. Close family members of an individual are those who can influence or be influenced by that person when dealing with the enterprise, such as: Father, mother, wife, husband, children, siblings;

(d) Key management personnel who have authority and responsibility for planning, managing and controlling the activities of the reporting enterprise, including the leaders, managers of the company and close family members of these individuals;

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

Segment reporting

A segment is a distinguishable component of the Bank that engages in providing related products or services (business segment), or provides products or services in a specific economic environment (geographical segment), and each segment is exposed to risks and earns different benefits compared to other segments. The Bank's primary segment reporting model is based on geographical areas. The secondary segment reporting model is based on business lines. Currently, the Bank mainly operates in the banking sector, including the regular provision of the following services: accepting deposits, granting credits, providing account payment services, and other banking activities. Therefore, the Board of Management believes that the Bank has only one business segment, which is banking operations, and the Bank's risk and profitability are reflected in this single business sector. As a result, the Bank is not required to present detailed segment reporting by business sector.

Basic earnings per share (EPS)

The Bank presents basic earnings per share (EPS) for its common shares. Basic earnings per share is calculated by dividing the profit or loss attributable to the common shareholders of the Bank (after deducting appropriation for bonus and welfare funds in the year) by the weighted average number of common shares outstanding during the year.

Diluted Earnings Per Share is determined by adjusting the profit or loss attributable to common shareholders and the weighted average number of common shares outstanding to reflect the potential impact of dilutive common shares, including convertible bonds and stock options. As of the reporting date and for the year ended on the same date, the Bank has no potential dilutive common shares and, therefore, does not present diluted earnings per share.

Off-balance-sheet items

Commitments and contingent liabilities

At any given time, the Bank has undrawn credit commitments. These commitments are in the form of approved loans and overdrafts.

The Bank also provides financial guarantees and letters of credit to guarantee the performance of a customer's contract with a third party. Commitments and contingent liabilities may mature before the disbursement of part or all of the committed amounts. Therefore, these items do not represent a firm cash flow commitment in the future.

Usance Payable at Sight (UPAS) L/C that allow the beneficiary to be paid immediately or before the L/C due date

Before 01 July 2024, when the Bank received notification from the reimbursing bank that the payment to the beneficiary had been made, the Bank recorded the payable amount to the reimbursing bank as an other payable and recorded the receivable from the customer as other assets.

From 01 July 2024, when the reimbursing bank makes the payment to the beneficiary, the Bank shall recognize a payable to the reimbursing bank and the customer shall recognize a payable to the Bank for the amount that the reimbursing bank has paid the beneficiary under the terms of the UPAS L/C. Upon receiving notification from the reimbursing bank that the payment has been made to the beneficiary, the Bank recognizes the amount owed to the reimbursing bank as a borrowing from credit institutions and the amount owed by the customer as a loan to customers.

Trust assets held on behalf

Assets held for the purpose of trust management or custodianship are not considered assets of the Bank and, therefore, are not included in the Bank's financial statements.

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Trust assets held on behalf

Assets held for the purpose of trust management or custodianship are not considered assets of the Bank and, therefore, are not included in the Bank's financial statements.

Nil Balances

Items or balances as regulated under the SBV's Circular No. 49/2014/TT-NHNN dated 31 December 2014 ("Circular 49") and Circular No. 27/2021/TT-NHNN dated 31 December 2021 ("Circular 27") amending certain provisions of the financial reporting regime for credit institutions under Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and Decision No. 479/2004/QĐ-NHNN dated 29 April 2004 of the Governor of the SBV, and the accounting system for credit institutions, which are not reported herein shall be considered to have a zero balance.

Financial Instruments

For the sole purpose of providing explanatory information about the significance of financial instruments to the Bank's financial position and performance, and the nature and extent of risks arising from financial instruments, the Bank classifies financial instruments as follows:

Financial Assets

Financial assets measured at fair value through profit or loss

Financial assets that meet the following conditions are measured at fair value through profit or loss (FVTPL):

- A financial asset is held for trading if either:

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

- The financial assets designated by the Bank as FVTPL on initial recognition.

Held-to-maturity Investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank intends and is able to hold to maturity, except for:

- Financial assets that are designated as FVTPL on initial recognition;
- Financial assets classified as available-for-sale;
- Financial assets that meet the definition of loans and receivables.

Loans and Receivables

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

- Assets that the Bank intends to sell immediately or in the near future, classified as held for trading, or assets that are designated as FVTPL on initial recognition;
- Assets that the Bank classifies as available-for-sale at initial recognition; or

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- Assets held by the Bank that are unlikely to recover a significant portion of the initial investment value, other than due to credit impairment, and are classified as available-for-sale.

Available-for-sale Financial Assets

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

- Financial assets measured at FVTPL;
- Held-to-maturity investments; or
- Loans and receivables.

Financial liabilities

Financial liabilities measured at fair value through profit or loss

Financial liabilities that meet the following conditions are measured at fair value through profit or loss (FVTPL):

A financial liability is held for trading if either:

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

The financial liabilities designated by the Bank as FVTPL on initial recognition.

Financial liabilities measured at amortised cost

Financial liabilities that are not designated as at FVTPL are measured at amortised cost.

The classification of the above financial instruments is for presentation and disclosure purposes only, and is not intended to describe the methods for determining the value of these financial instruments. The accounting policies for measuring the value of financial instruments are presented in other related disclosures.

Comparative Information

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year's financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Bank's financial position, results of operations or cash flows for the prior year.

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5. CASH

VND million

	Closing balance	Opening balance
Cash on hand in VND	1,135,043	2,287,656
Cash on hand in foreign currencies	27,341	95,106
	1,162,384	2,382,762

6. BALANCES WITH THE STATE BANK OF VIETNAM (“SBV”)

VND million

	Closing balance	Opening balance
Balances with the SBV in VND	13,401,560	14,416,346
Balances with the SBV in foreign currencies	967,974	162,098
	14,369,534	14,578,444

Balances with the SBV include demand deposits and compulsory deposits. According to the regulations of the SBV, the Bank must maintain a certain reserve at the SBV in the form of compulsory reserve. The average monthly required reserve balance must not be lower than the previous month's average deposit balance multiplied by the corresponding required reserve ratio.

Required reserve ratio at the end of the financial year and the beginning of the financial year:

	Closing balance	Opening balance
Demand Deposits and Deposits with term of less than 12 months in VND	3%	3%
Deposits with term of 12 months or more in VND	1%	1%
Demand Deposits and Deposits with term of less than 12 months in USD	8%	8%
Deposits with term of 12 months or more in USD	6%	6%

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7. DEPOSITS AT AND LOANS TO OTHER CREDIT INSTITUTIONS

VND million

	Closing balance	Opening balance
Deposits with other credit institutions	89,027,361	35,059,076
Demand deposits	2,241,091	757,476
- In VND	1,356,911	284,831
- In foreign currencies	884,180	472,645
Term deposits	86,786,270	34,301,600
- In VND	63,547,577	25,353,150
- In foreign currencies	23,238,693	8,948,450
Loans to other credit institutions	7,484,935	526,177
- In VND	7,484,935	526,177
In which: Discount and rediscount loan	7,227,959	369,201
Provision for credit losses of deposits with and loans to other credit institutions	(56,977)	(57,577)
	96,455,319	35,527,676

Analysis of deposits with and loans to other credit institutions (excluding current accounts in local credit institutions, foreign banks' branches in Vietnam under prevailed regulation at each time) and loans to other credit institutions by quality:

VND million

	Closing balance	Opening balance
Standard	94,214,228	35,090,854
Loss	56,977	56,977
	94,271,205	35,147,831

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8. HELD-FOR-TRADING SECURITIES

VND million

	Closing balance	Opening balance
Other trading securities		
Investment certificate issued by foreign economic entities	660,321	580,440
	660,321	580,440

Listing status of held-for-trading securities:

VND million

	Closing balance	Opening balance
Other trading securities		
Unlisted	660,321	580,440
	660,321	580,440

9. DERIVATIVES AND OTHER FINANCIAL ASSETS/(LIABILITIES)

Details of derivatives as at 31 December 2024 are as follows:

VND million

	Closing balance		Opening balance	
	The total value of the contract	Total accounting value Assets/ (Liabilities)	The total value of the contract	Total accounting value Assets/ (Liabilities)
Currency derivatives	152,634,770	26,162	159,390,424	(78,736)
Currency forwards	2,052,365	28,838	918,457	(16,142)
Currency swaps	150,582,405	(2,676)	158,471,967	(62,594)
Other derivatives	3,742,770	(17,025)	4,483,185	2,950
Interest swaps	3,742,770	(17,025)	4,483,185	2,950
	156,377,540	9,137	163,873,609	(75,786)

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10. LOANS TO CUSTOMERS

VND million

	Closing balance	Opening balance
Loans to local economic entities and individuals	331,297,130	274,903,245
Loans on discounting negotiable instruments and valuable papers	10,873	16,238
Loans using grants, investment entrustment	297,945	511,034
Payment on behalf of customers	367	367
	331,606,315	275,430,884

Analysis of loan portfolio by quality:

	Closing balance		Opening balance	
	VND million	%	VND million	%
Standard	323,148,343	97.45	268,630,841	97.53
Special mention	3,259,329	0.98	3,111,392	1.13
Sub-standard	855,049	0.26	812,753	0.30
Doubtful	1,921,132	0.58	1,706,597	0.62
Loss	2,422,462	0.73	1,169,301	0.42
	331,606,315	100.00	275,430,884	100.00

Analysis of loans portfolio by original term:

VND million

	Closing balance	Opening balance
Short-term loans (under one year)	163,195,414	114,751,090
Medium-term loans (from one year to five years)	120,168,087	117,315,182
Long-term loans (over five years)	48,242,814	43,364,612
	331,606,315	275,430,884

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Analysis of loan portfolio by type of businesses:

	Closing balance		Opening balance	
	VND million	%	VND million	%
One member limited liability companies with 100% State-owned equity	120,136	0.04	242,550	0.09
Other types of limited liability companies	148,666,990	44.83	122,892,869	44.62
Joint-stock companies with 50% Stated-owned equity	3,253,582	0.98	3,373,000	1.22
Other types of joint stock companies	39,302,424	11.85	33,648,706	12.22
Partnerships	471	0.00	599	0.00
Private companies	1,230	0.00	636	0.00
FDI enterprises	429	0.00	-	0.00
Cooperatives and cooperative unions	52,817	0.02	39,394	0.01
Administrative units, party, unions and associations	19,518	0.01	56,869	0.02
Household businesses and individuals	140,188,718	42.27	115,176,261	41.82
	331,606,315	100.00	275,430,884	100.00

Analysis of loan portfolio by sector:

	Closing balance		Opening balance	
	VND million	%	VND million	%
Agriculture, forestry and aquaculture	26,522,985	8.00	21,381,814	7.76
Mining	109,032	0.03	107,940	0.04
Manufacturing and processing	30,163,735	9.10	23,272,541	8.45
Electricity, gas, hot water, steam and air conditioning manufacturing	13,457,532	4.06	9,280,687	3.37
Water supplying, waste and sewage processing and management	209,745	0.06	101,788	0.04
Construction	31,582,281	9.52	40,917,258	14.86

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	Closing balance		Opening balance	
	VND million	%	VND million	%
Wholesale and retail; repair of motor vehicles, motorcycles and other vehicles	98,962,842	29.84	59,572,371	21.63
Accommodation and food services	30,837,424	9.30	23,618,699	8.58
Transport and warehousing	4,275,751	1.29	1,539,252	0.56
Information and communication	7,495,851	2.26	7,808,323	2.83
Financial, banking and insurance activities	652,977	0.20	286,343	0.10
Real estate business	10,136,979	3.06	13,982,476	5.08
Scientific and technology activities	183,937	0.06	211,374	0.08
Administration activities and supporting services	466,779	0.14	1,157,097	0.42
Education and training	39,470	0.01	67,805	0.02
Health care and social work	186,240	0.06	267,549	0.10
Art, entertainment and recreation	20,109,512	6.06	23,386,552	8.49
Other service activities	697,856	0.21	649,714	0.24
Household services	55,515,387	16.74	47,821,301	17.35
	331,606,315	100.00	275,430,884	100.00

11. PROVISIONS FOR LOANS TO CUSTOMERS

Movements in provisions for loans to customers for the financial year ended 31 December 2024 are as follows:

	VND million		
	General provision	Specific provision	Total
Opening balance	2,054,762	1,403,473	3,458,235
Allowance made during the year	401,977	1,552,607	1,954,584
Allowance utilised for bad debts written off during the year	-	(1,082,722)	(1,082,722)
Closing balance	2,456,739	1,873,358	4,330,097

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Movements in provisions for loans to customers for the financial year ended 31 December 2024 are as follows:

VND million

	General provision	Specific provision	Total
Opening balance	1,751,300	3,118,595	4,869,895
Allowance made during the year	303,462	2,526,003	2,829,465
Allowance used for bad debts written off during the year	-	(4,241,125)	(4,241,125)
Others	-	-	-
Closing balance	2,054,762	1,403,473	3,458,235

12. DEBTS PURCHASED

VND million

	Closing balance	Opening balance
Debts purchased by VND	-	21,961
Allowance for debts purchased	-	(165)
	-	21,796

Principal of the debts purchased

VND million

	Closing balance	Opening balance
Principal amount of debts purchased	-	18,282
Interest amount of debts purchased	-	3,679
	-	21,961

Analysis of debts purchased by quality

VND million

	Closing balance	Opening balance
Standard	-	21,961
	-	21,961

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13. INVESTMENT SECURITIES

Available-for-sale investment securities

VND million

	Closing balance	Opening balance
Debt securities	58,080,339	46,844,367
Debt securities issued by the Government and local Government (i)	34,258,078	27,708,770
Debt securities issued by other domestic credit institutions (ii)	11,529,518	10,185,634
In which: Debt securities guaranteed by the Government	2,229,518	2,235,562
Certificate of Deposit issued by other domestic credit institutions (iii)	12,190,743	8,949,963
Foreign Debt securities	102,000	-
Equity securities	-	1
Equity securities issued by other domestic credit institutions	-	1
	58,080,339	46,844,368

(i) The amount of Government bonds issued by the State Treasury in VND. These bonds have term ranging from 7 years to 20 years and annual interest rates from 2.00% to 8.80% (as of 31 December 2023: maturities ranged from 5 years to 20 years with annual interest rates from 2.00% to 8.80%). Interest is paid annually.

(ii) The amount of bonds issued by other domestic credit institutions in VND. These bonds have term ranging from 3 years to 10 years and annual interest rates from 2.30% to 5.80% (as of 31 December 2023: maturities ranged from 2 years to 10 years with annual interest rates from 2.30% to 5.80%). Interest is paid semi-annually or annually.

(iii) The amount of certificates of deposit issued by other domestic credit institutions in VND. These certificates of deposit have term of 1 year and annual interest rates from 4.50% to 7.50% (as of 31 December 2023: maturities ranged from 1 year to 3 years with annual interest rates from 4.20% to 11.50%). Interest is paid semi-annually or annually.

Analysis of securities classified as credit risk assets by quality

VND million

	Closing balance	Opening balance
Standard	21,592,743	16,900,035
	21,592,743	16,900,035

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14. LONG-TERM INVESTMENTS

VND million

	Closing balance	Opening balance
Other long-term investments	548,808	348,718
	548,808	348,718

Details of other long-term investments:

VND million

	Closing balance		Opening balance	
	Cost VND million	Proportion owned by the Bank	Cost VND million	Proportion owned by the Bank
LPBank Securities Joint Stock Company	216,021	5.50	15,931	5.50
LPBank Insurance Joint Stock Corporation	32,787	4.82	32,787	4.82
Viet Lao Power Joint Stock Company	300,000	6.85	300,000	6.86
	548,808		348,718	

15. TANGIBLE FIXED ASSETS

Movements of tangible fixed assets in the financial year ended 31 December 2024 are as follows:

VND million

	Buildings, structures	Machinery, equipment	Motor vehicles	Management tools and equipment	Others tangible fixed assets	Total
Cost						
Opening balance	730,630	868,885	971,692	295,117	74,580	2,940,904
New purchases in the year	-	556,750	203,937	22,453	24,715	807,855
Disposals	64,895	-	-	-	-	64,895
Transferred from construction in progress	-	(37,709)	(270,532)	(32,974)	(2,650)	(343,865)
Closing balance	795,525	1,387,926	905,097	284,596	96,645	3,469,789

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VND million

	Buildings, structures	Machinery, equipment	Motor vehicles	Management tools and equipment	Others tangible fixed assets	Total
Accumulated depreciation						
Opening balance	321,198	631,892	553,769	219,262	44,140	1,770,261
Charge for the year	23,852	68,674	85,142	14,955	6,435	199,058
Disposals	-	(37,260)	(147,221)	(27,336)	(2,202)	(214,019)
Transferred from construction in progress	(1,789)	248	233	(83)	91	(1,300)
Closing balance	343,261	663,554	491,923	206,798	48,464	1,754,000
Net book value						
Opening balance	409,432	236,993	417,923	75,855	30,440	1,170,643
Closing balance	452,264	724,372	413,174	77,798	48,181	1,715,789

Other information about tangible fixed assets:

VND million

	Closing balance	Opening balance
Commitment to buy high-value fixed assets in the future	610,703	340,702
Cost of tangible fixed assets fully amortized but still in use	787,444	733,637

16. INTANGIBLE ASSETS

VND million

	Land use rights	Software computer	Total
Cost			
Opening balance	624,217	371,819	996,036
New purchases in the period	-	262,386	262,386
Closing balance	624,217	634,205	1,258,422
Accumulated amortization			
Opening balance	23,686	193,006	216,692
Charge for the year	3,803	21,929	25,732
Closing balance	27,489	214,935	242,424
Net book value			
Opening balance	600,531	178,813	779,344
Closing balance	596,728	419,270	1,015,998

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Other information about special intangible assets:

VND million

	Closing balance	Opening balance
Commitment to buy high-value fixed assets in the future	60,723	22,372
Cost of tangible fixed assets fully amortized but still in use	61,602	61,602

17. OTHER ASSETS

VND million

	Closing balance	Opening balance
Receivables	1,535,761	3,050,171
- Other receivables (Note 17.1)	1,535,761	3,050,171
Interest and fee receivables	4,745,521	5,037,867
Other assets	761,672	575,737
- Prepaid expenses (Note 17.2)	733,959	521,646
- Other assets	27,713	54,091
Provision for impairment of other assets (*)	(6,403)	(7,436)
	7,036,551	8,656,339

(*) This is the provision made for bad debts in accordance with Circular No. 48/2019/TT-BTC issued on 8 August 2019 and Circular No. 24/2022/TT-BTC issued on 7 April 2022. In the year, the Bank has written off some receivables amounting to VND 1,071 million.

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17.1 Other receivables

VND million

	Closing balance	Opening balance
Internal receivables	109,490	50,869
Advance for office renovation	336,417	123,800
Advance for purchase of fixed assets	311,860	338,951
Advance for operating activities	303,200	388,134
Receivables from insurance commission	190,137	11,639
Advance for charity purpose (i)	82,482	149,242
Receivables from post offices of provinces (ii)	57,240	46,590
Deposit for operating activities	40,316	1,614,314
Receivables from UPAS L/C (Usance L/C payable at sight) (iii)	-	251,584
Other receivables	104,619	75,048
	1,535,761	3,050,171

(i) These are advances for social charity activities, including: sponsorships for education, sponsorships for healthcare, sponsorships for disaster recovery, sponsorships for beneficiaries who are poor households, and other sponsorships as decided by the Board of Directors. As of 31 December 2024, these social charity activities have not been completed and have not been finalized.

(ii) These are receivables from post offices of provinces related to the Bank's capital mobilization and savings deposit activities. These amounts arise daily and have a payment term within 1 month.

(iii) From 1 July 2024, the Bank recognizes receivables from UPAS L/C in accordance with Circular No. 21/2024/TT-NHNN as presented in Note 3.

17.2 Prepaid expenses

VND million

	Closing balance	Opening balance
Brokerage commission fees (i)	194,205	192,553
Payment for office rental	73,761	43,808
Head office repair and improvement expenses	149,044	84,153
Other prepaid expenses	316,949	201,132
	733,959	521,646

(i) Represent commissions paid to the system of post offices directly related to lending to customers. These expenses are amortized according to the term of each loan to customer.

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18. AMOUNT DUE TO THE GOVERNMENT AND THE SBV

VND million

	Closing balance	Opening balance
Borrowings from the SBV	1,271,247	89,425
- Borrowings based on credit facilities	61,664	89,425
- Borrowings secured by valuable papers (i)	1,209,583	-
Deposits from the State Treasury	130	151
- Deposits in VND	130	151
	1,271,377	89,576

(i) The loan is collateralized by Government Bonds held by the Bank with a total par value as of 31 December 2024 of VND 1,274,003 million.

19. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

VND million

	Closing balance	Opening balance
Demand deposits from other credit institutions	71,842	143,814
- In VND	71,834	143,806
- In foreign currency	8	8
Term deposits from other credit institutions	105,335,589	47,008,790
- In VND	78,400,121	34,094,000
- In foreign currency	26,935,468	12,914,790
Borrowings from other credit institutions	9,941,580	2,959,825
- In VND	7,898,051	1,749,890
In which: discount, re-discount borrowings	7,192,044	961,676
- In foreign currency	2,043,529	1,209,935
	115,349,011	50,112,429

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As at 31 December 2024, the Bank pledged debt securities being Government bonds and other credit institution bonds with a total face value of VND 9,950,000 million (as at 31 December 2023: VND 4,295,000 million) at other credit institutions, as collateral for placements with and loans to other credit institutions.

20. DEPOSITS FROM CUSTOMERS

VND million

	Closing balance	Opening balance
Demand deposits	27,721,935	22,919,137
- In VND	26,931,968	22,532,154
- In foreign currency	789,967	386,983
Term deposits	255,345,415	214,351,072
- In VND	255,129,020	214,177,382
- In foreign currency	216,395	173,690
Marginal deposits	103,291	117,514
- In VND	103,289	117,512
- In foreign currency	2	2
Deposits for specific purposes	1,205	3,886
- In VND	396	357
- In foreign currency	809	3,529
	283,171,846	237,391,609

Deposits from customers categorized by type of customers and economic entities are as follows:

VND million

	Closing balance	Opening balance
Economic entities	79,804,641	63,322,060
State-owned enterprises	1,469,539	1,377,889
Limited companies with 100% State-owned	38,326,928	41,262,346
Limited companies with State-owned exceeding 50%	9,865	9,640
Other limited companies	9,969,857	6,248,859
Joint Stock Companies with State-owned exceeding 50%	7,782,948	3,499,201
Other Joint Stock Companies	16,156,939	7,687,224
Partnership	833,731	223,926
Private enterprises	24,753	17,244
Foreign direct investment enterprises	865,881	221,379
Cooperative and cooperative union	42,649	19,072
Individual business	9,073	3,877
Administrative and Public Non-Business Units, Party, Organizations, and Associations	3,627,410	2,173,026
Deposits from other entities	685,068	578,377
Individuals	203,367,205	174,069,549
	283,171,846	237,391,609

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21. VALUABLE PAPERS ISSUED

VND million

	Closing balance	Opening balance
Certificates of deposits in VND	35,022,586	20,185,357
Below 12 months	31,000,000	14,800,000
From 12 months to 5 years	4,022,589	5,385,423
Discount	(3)	(66)
Bonds in VND	20,436,330	27,724,524
From 12 months to 5 years	10,200,000	18,450,000
More than 5 years	10,267,450	9,315,454
Discount	(31,120)	(40,930)
	55,458,916	47,909,881

As at 31 December 2024, the bank pledged debt securities being Government bonds with a total face value of VND 2,990,000 million (as at 31 December 2023: VND 3,090,000 million) at Vietnam Securities Depository and Clearing Corporation (formerly known as Vietnam Securities Depository Center) as collateral for bonds issued by the Bank.

22. OTHER LIABILITIES

VND million

	Closing balance	Opening balance
Interest and fee payables	7,816,590	9,839,488
Internal payables	16,020	245,407
External payables (Note 22.1)	1,375,301	2,732,150
Bonus and welfare funds	533,037	349,453
	9,740,948	13,166,498

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22.1 External payables

VND million

	Closing balance	Opening balance
Payables for Vi Viet e-wallet services	43,657	801,538
Tax payables (Note 38)	706,320	1,009,556
Payables for UPAS L/C transaction (Unsance L/C payable at sight)	-	251,584
Amount due to customers awaiting settlement	274,382	235,051
Commissions fees for post office of province	52,270	97,015
Payables for card services	91,957	267,859
Revenue awaiting allocation	14,884	31,792
Payables for purchasing of fixed assets and construction in progress	14,048	3,559
Payables for e-banking services	1,522	1,899
Other payables	176,261	32,297
	1,375,301	2,732,150

23. CAPITAL AND RESERVES

23.1 Statement of changes in equity

VND million

	Charter capital	Share premium	Charter capital supplementary reserve	Investment and development fund	Financial reserve	Retained earnings	Total
Balance as at 01 January 2024	25,576,164	57	1,235,154	3,793	2,457,089	4,845,143	34,117,400
Profit for the year	-	-	-	-	-	9,720,900	9,720,900
Appropriation to funds for the year	-	-	972,090	-	972,090	(1,944,180)	-
Appropriation to bonus and welfare funds (*)	-	-	-	-	-	(500,000)	(500,000)
Balance as at 31 December 2024	25,576,164	57	2,207,244	3,793	3,429,179	12,121,863	43,338,300

(*) The Bank appropriated funds to the bonus and welfare fund based on the 2023 Profit Distribution Plan submitted to the Annual General Meeting of Shareholders in 2024 and approved under the Resolution of the Annual General Meeting of Shareholders dated 17 April 2024.

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23.2 Details of the Bank's capital

VND million

	Closing balance			Opening balance		
	Total	Ordinary shares	Percentage of ownership	Total	Ordinary shares	Percentage of ownership
Vietnam Post Corporation	1,671,970	1,671,970	6.54%	1,671,970	1,671,970	6.54%
Other shareholders	23,904,194	23,904,194	93.46%	23,904,194	23,904,194	93.46%
	25,576,164	25,576,164	100.00%	25,576,164	25,576,164	100.00%

As at 31 December 2024, the Bank has a shareholder held more than 5% of the Bank's ordinary shares, which is Vietnam Post Corporation. The business registration certificate number of Vietnam Post Corporation is 0102595740, and the Head Office address is located at No. 5, Pham Hung Street, My Dinh Ward, Nam Tu Liem District, Hanoi City, Vietnam.

23.3 Details of the Bank's shares

VND million

	Closing balance	Opening balance
Number of shares registered to issue	2,557,616,416	2,557,616,416
Number of shares offered to public	2,557,616,416	2,557,616,416
- Ordinary shares	2,557,616,416	2,557,616,416
Number of shares in circulation	2,557,616,416	2,557,616,416
- Ordinary shares	2,557,616,416	2,557,616,416
Par value per share (VND)	10,000	10,000

Each ordinary share corresponds to one voting right in the Bank's shareholder meetings. Shareholders have the right to receive dividends that the Bank announces at various times. All ordinary shares have equal priority in terms of the remaining assets of the Bank. The rights of repurchased shares by the Bank are temporarily suspended until they are reissued.

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23.4 Dividends

Resolution of the Extraordinary General Meeting of Shareholders in 2024 dated 16 November 2024 approved the 2023 profit distribution plan as outlined in the Proposal No. 2820/2024/TTr-HĐQT dated 29 August 2024 submitted by the Bank's Board of Directors. The plan includes the issuance of shares to pay dividends for 2023 at a rate of 16.8%.

According to Resolution No. 4492/2024/NQ-HĐQT dated 18 December 2024, the record date to determine the list of shareholders entitled to receive the 2023 share dividends was 30 December 2024.

As per the Report on the Results of the Share Issuance for 2023 Dividend Payment No. 212/2025/BC-LPBank dated 07 January 2025, the Bank has issued 429,665,684 shares to pay the 2023 dividends.

24. INTEREST AND SIMILAR INCOME

VND million

	Current year	Prior year
Interest income from deposits	1,855,404	1,121,923
Interest income from loans to customers	29,348,182	28,449,092
Interest income from trading debt securities	2,272,537	2,254,660
Income from guarantee	660,035	524,389
Income from debt purchasing	852	3,587
Other income from credit activities	24	-
	34,137,034	32,353,651

25. INTEREST AND SIMILAR EXPENSES

VND million

	Current year	Prior year
Interest expenses for deposits	14,949,435	16,700,017
Interest expenses for borrowings	181,010	178,172
Interest expenses for issuance of valuable papers	2,884,485	3,064,227
Other expenses for credit activities	21,645	20,295
Brokerage commission fee for postal saving services	706,716	1,187,811
	18,743,291	21,150,522

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26. NET GAIN FROM SERVICES

VND million

	Current year	Prior year
Income from services	3,594,134	3,905,989
Settlement services	173,346	182,265
Treasury services	37,941	32,528
Entrusting, consulting and insurance agency services	565,370	2,689,397
Other services	2,817,477	1,001,799
Expenses on services	(383,135)	(340,362)
Settlement services	(181,576)	(181,982)
Treasury services	(5,418)	(855)
Other services	(196,141)	(157,525)
Net gain from services	3,210,999	3,565,627

27. NET GAIN FROM FOREIGN CURRENCY TRADING

VND million

	Current year	Prior year
Income from trading foreign currencies	1,653,947	1,977,532
Income from trading spot foreign exchange	526,341	363,617
Income from monetary derivative financial instruments	1,127,606	1,613,915
Expenses for trading foreign currencies	(1,380,642)	(1,542,434)
Expenses from trading spot foreign exchange	(278,193)	(83,867)
Expenses for monetary derivative financial instruments	(1,102,449)	(1,458,567)
Net gain from trading foreign currencies	273,305	435,098

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28. NET GAIN FROM TRADING HELD-FOR-TRADING SECURITIES

VND million

	Current year	Prior year
Income from trading held-for-trading securities	43,021	30,208
	43,021	30,208

29. NET (LOSS) FROM TRADING INVESTMENT SECURITIES

VND million

	Current year	Prior year
Gain from trading investment securities	49	1,464
Loss from trading investment securities	(1,511)	(6,718)
	(1,462)	(5,254)

30. INCOME FROM CAPITAL CONTRIBUTION AND EQUITY INVESTMENTS IN OTHER ENTITIES

VND million

	Current year	Prior year
Dividends and profits received in the year from capital contribution:	75,017	49,345
- From long-term capital contribution and investments	75,017	49,345
	75,017	49,345

31. NET GAIN FROM OTHER ACTIVITIES

VND million

	Current year	Prior year
Income from other activities	1,246,273	490,524
Gain from disposal of assets	118,655	16,163
Income from debts written off	945,522	376,721
Income from interest rate swaps	161,869	74,493
Other incomes	20,227	23,147
Expenses on other activities	(308,466)	(143,372)
Expenses from interest rate swaps	(155,694)	(63,874)
Other expenses	(152,772)	(79,498)
Net gain from other activities	937,807	347,152

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32. OPERATING EXPENSES

VND million

	Current year	Prior year
1. Taxes, duties and fees	128,709	156,982
2. Staff costs	3,150,672	3,233,810
In which:		
- Salaries and allowances	2,728,178	2,793,324
- Salary-based expenses	265,565	271,746
- Severance allowances	4,104	3,868
- Other staff cost	152,825	164,872
3. Expenses on assets	1,173,005	1,023,185
In which:		
- Depreciation and amortization	224,790	253,705
- Rental expenses	568,282	488,567
- Other expenses	379,933	280,913
4. Expenses related to public affairs management	1,054,423	1,097,649
In which:		
- Per diem	22,150	24,048
- Expenses related to union activities	335	505
- Other expenses on management activities	1,031,938	1,073,096
5. Insurance expenses on deposits of customers	281,854	236,979
6. Other provision expenses	38	351
7. Other operating expenses	21,742	10,916
	5,810,443	5,759,872

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33. PROVISION EXPENSES FOR CREDIT LOSSES

VND million

	Current year	Prior year
(Reverse) of allowances for loan losses of other credit institutions (Note 07)	(600)	(621)
Allowances for loan losses of customers (Note 11)	1,954,584	2,829,465
(Reverse) of allowances for loan losses of debt purchased (Note 12)	(165)	(2,804)
	1,953,819	2,826,040

34. CURRENT CORPORATE INCOME TAX EXPENSE ("CIT")

VND million

	Current year	Prior year
Profit before tax	12,168,168	7,039,393
Less:		
Non-taxable income	(75,015)	(49,345)
Add:		
Other non-deductible expenses	49,615	292,242
Taxable income	12,142,768	7,282,290
CIT rate	20%	20%
CIT expenses based on tax rate	2,428,554	1,455,900
Adjustments for income tax differences in prior years	18,714	11,247
Total CIT for the year	2,447,268	1,467,147
CIT payable at the beginning of the year	972,900	804,800
CIT paid during the year	(2,740,215)	(1,299,047)
CIT payable at the end of the year	679,953	972,900

35. BASIC EARNINGS PER SHARE

VND million

	Current year	Prior year
Profit after tax	9,720,900	5,572,246
Appropriation of other funds (excluding charter capital supplemental reserve fund, charter capital supplemental reserve fund, financial reserve fund and other equity funds) (*)	-	(500,000)
Profits distributed to shareholders owning common shares	9,720,900	5,072,246

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(*) The previous year's bonus and welfare fund appropriation are according to the Bank's Board of Directors' Resolution approved in 2024

At the date of these financial statements, the Bank has not made an estimate of the amount of the bonus and welfare fund appropriation for the year ended 31 December 2024. As a result, the basic earnings per share calculation excludes 2024 bonus and welfare fund appropriation. The actual amount of profit distribution to the welfare reward fund for the year ended 31 December 2024 will be approved during the 2025 General Meeting of Shareholders and therefore the above basic earnings per share might be adjusted accordingly.

Number of ordinary shares for basic earning calculation

According to the guidance in Vietnam Accounting Standard No. 30 – Earnings per share, the Bank is required to retrospectively adjust "Basic earnings per share" for all reporting periods if the number of outstanding ordinary shares increases due to capitalization, issuance of bonus shares, share splitting or decrease due to reserve share splits, including changes that occur after the end of the financial year but before the date the financial statement issue.

According to the Resolution of the Extraordinary General Meeting of Shareholders in 2024 dated 16 November 2024, the 2023 profit distribution plan was approved as outlined in Proposal No. 2820/2024/TTr-HĐQT dated 29 August 2024 submitted by the Bank's Board of Directors. The plan included the issuance of shares to pay dividends for 2023 at a rate of 16.8%. On 7 January 2025, the Bank completed the issuance of an additional 429,665,684 shares to pay dividends. As a result, the basic earnings per share (EPS) for the financial year ending 31 December 2023 has been restated as follows:

	Shares	
	Current year	Prior year
Ordinary shares issued at the beginning of the year	2,557,616,416	1,729,105,369
Effect of the number of ordinary shares issued to pay share dividends in 2023	-	328,511,047
Issuance of shares private placement in 2023	-	82,191,781
Effects of the number of ordinary shares issued to pay share dividends in 2024	429,665,684	429,665,684
The weighted average of common shares for calculating basic earning per share	2,987,282,100	2,569,473,881

Basic earnings per share:

	VND	
	Current year	Prior year (Restated)
Basic earnings per share	3,254	1,974
	3,254	1,974

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The figures of basic earnings per share for the year ended 31 December 2023 are restated as follows:

	VND million	
	Prior year	Prior year (Restated)
Profits distributed to shareholders owning common shares (VND million)	5,572,246	5,072,246
The weighted average of common shares for calculating basic earning per share (shares)	2,139,808,197	2,569,473,881
Basic earning per share (VND)	2,604	1,974

36. CASH AND CASH EQUIVALENTS

	VND million	
	Closing balance	Opening balance
Cash	1,162,384	2,382,762
Balances with the SBV	14,369,534	14,578,444
Deposits with other credit institutions	89,027,361	35,059,076
- Demand deposits	2,241,091	757,476
- Term deposit with term of 3 months or less	86,786,270	34,301,600
	104,559,279	52,020,282

37. EMPLOYEES' INCOME

	VND million	
	Current year	Prior year
I. Total number of employees at the end of the year (persons)	11,189	10,627
Average number of employees during the year (persons)	11,505	11,180
II. Employees' income (VND million)		
1. Salary and allowances	2,728,178	2,793,324
2. Allowances	269,669	275,614
3. Other income	152,825	164,872
4. Total income (1+2+3)	3,150,672	3,233,810
5. Average monthly income per employee (VND million/person/month)	19.76	20.82
6. Average monthly income (VND million/person/month)	22.82	24.10

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38. THE BANK'S OBLIGATIONS TO THE STATE BUDGET

VND million

	Opening balance	During the period		Closing balance
		Payable	Paid	
Value-added tax	11,228	333,256	(332,395)	12,089
Corporate income tax	972,900	2,447,268	(2,740,215)	679,953
Other taxes	25,428	274,787	(285,937)	14,278
	1,009,556	3,055,311	(3,358,547)	706,320

39. TYPES AND VALUE OF COLLATERAL AND MORTGAGES

Assets, valuable papers received as mortgages, pledges and discounts, rediscounts

VND million

	Closing balance	Opening balance
Investment securities	18,485,403	12,185,000
	18,485,403	12,185,000

Assets, valuable papers used for mortgages, pledges and discounts, rediscounts

VND million

	Closing balance	Opening balance
Real estate	481,917,353	327,973,063
Movable estate	16,406,526	8,148,299
Valuable papers	93,080,955	95,889,324
Other assets	377,848,903	380,200,274
	969,253,737	812,210,960

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40. TRUST AND AGENCY ACTIVITIES FOR CREDIT INSTITUTIONS

VND million

	Closing balance	Opening balance
Other trust activities	4,707,967	4,707,967
	4,707,967	4,707,967

41. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

VND million

	Closing balance	Opening balance
Credit guarantees	47,370	55,340
Foreign currency commitments	173,657,384	162,150,751
Foreign currency purchased commitments	5,678,169	-
Foreign currency sale commitments	4,148,345	2,902,200
Swap commitments	163,830,870	159,248,551
Letters of credit commitments	484,545	676,398
Other guarantees	3,017,938	1,706,763
Other commitments	5,526,892	4,486,870
	182,734,129	169,076,122

42. UNCOLLECTED INTEREST FROM LOANS AND FEE RECEIVABLES

VND million

	Closing balance	Opening balance
Loan interest not yet collected	1,799,827	1,232,715
Fees not yet collected	5,576	3,011
	1,805,403	1,235,726

43. BAD DEBTS WRITTEN-OFF

VND million

	Closing balance	Opening balance
Principal amount of bad debts written-off under surveillance period	7,400,426	7,138,374
Interest amount of bad debts written-off under surveillance period	3,713,443	3,511,401
Other bad debts written-off	1,105	34
	11,114,974	10,649,809

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44. OTHER ASSETS AND PAPERS

VND million

	Closing balance	Opening balance
Other assets held on behalf	1,560,377	2,322,992
	1,560,377	2,322,992

45. RELATED PARTY TRANSACTIONS AND BALANCES

Details of significant balances with related parties as at 31 December 2024 are as follows:

VND million

Related parties	Description	Closing balance	Opening balance
Vietnam Post Corporation	Demand and Term deposits	(779,126)	(921,265)
	Other receivables	57,240	46,590
	Interest payables for Term deposits	(11,887)	(13,439)
LPBank Securities Joint Stock Company	Demand and Term deposits	(1,286,314)	(215,795)
	Interest payables for Term deposits	(937)	(2,799)
	Loan to customers	451,939	-
LPBank Insurance Joint Stock Corporation	Demand and Term deposits	(1,419,586)	(856,271)
	Interest payables for Term deposits	(2,646)	(442)
Xuan Thanh Construction Investment and Development Company Limited	Demand and Term deposits	(214,794)	(48,119)
	Interest payables for Term deposits	-	(1)
Xuan Thanh Cement Joint Stock Company	Demand and Term deposits	(512,563)	(68,957)
	Loan to customers	646,182	-
Xuan Thanh Trading Investment Company Limited	Demand and Term deposits	(1,343)	(1,420)
My Hanh Company Limited	Demand and Term deposits	(175)	(577)
Xuan Thanh Economic Corporation Joint Stock Company	Demand and Term deposits	(120)	(32)

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VND million

Related parties	Description	Closing balance	Opening balance
Duc Binh Construction and Trading One Member Co., Ltd	Demand and Term deposits	(6)	(12)
BVM Ninh Binh Company Limited	Demand and Term deposits	(739)	(2)
Members of the Board of Directors, Board of Supervisors, and Board of Management	Demand and Term deposits	(22,917)	(57,163)
	Interest payables for Term deposits	(136)	(500)

Transactions with related parties for the year ended 31 December 2024 are as follows:

VND million

Related parties	Description	Current year	Prior year
Vietnam Post Corporation	Interest expenses	(46,723)	(16,036)
LPBank Securities Joint Stock Company	Interest expenses	(37,964)	(10,067)
LPBank Insurance Joint Stock Corporation	Interest expenses	(10,184)	(703)
Members of the Board of Directors, Board of Supervisors, and Board of Management	Interest expenses	(1,270)	(161)

Details of salaries and allowances of the members of the Board of Directors, Board of Supervisors and Board of Directors are as follows:

VND million

Name	Title	Appointed/ Resigned date	Current year	Prior year
Member of Board of Directors				
Mr. Nguyen Duc Thuy	Chairman		-	-
Mr. Nguyen Van Thuy	Vice Chairman		1,200	824
Mr. Pham Doan Son	Standing Vice Chairman	Resigned on 23 April 2023	-	1,258
Mr. Ho Nam Tien	Standing Vice Chairman	Appointed on 04 October 2024	1,200	824
Mr. Bui Thai Ha	Vice Chairman		1,200	824
Mr. Duong Cong Toan	Vice Chairman	Resigned on 23 April 2023	-	1,258
Mr. Huynh Ngoc Huy	Member		1,200	2,083
Mr. Le Hong Phong	Member	Resigned on 16 November 2024	1,052	2,011
Mr. Le Minh Tam	Independent Member	Resigned on 16 November 2024	1,052	824
Mr. Pham Phu Khoi	Independent Member	Appointed on 16 November 2024	148	-
Ms. Vuong Thi Huyen	Independent Member	Appointed on 16 November 2024	148	-
Ms. Duong Hoai Lien	Independent Member	Resigned on 23 April 2023	-	712

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VND million

Name	Title	Appointed/ Resigned date	Current year	Prior year
Board of Supervisors			2,617	2,785
Board of Management and Chief Accountant				
Mr. Vu Quoc Khanh	Chief Executive Officer	Appointed on 25 February 2025	1,017	1,346
Mr. Ho Nam Tien	Chief Executive Officer	Resigned on 04 October 2024	913	1,705
Mr. Pham Doan Son	Chief Executive Officer	Resigned on 17 March 2023	-	1,631
Salaries of other key management personnel			7,504	15,065

46. GEOGRAPHICAL STRUCTURE OF ASSETS, LIABILITIES AND OFF-BALANCE-SHEET ITEMS AS AT 31 DECEMBER 2024

VND million

	Total loan balance and debts purchased	Total deposits at SBV and other credit institutions	Total deposits and loans from other credit institutions, valuable papers issued to other credit institutions	Total deposits from customers	Credit commitments	Derivatives (Total contract value)	Trading and investment securities
Domestic	331,606,315	110,120,359	170,036,425	282,806,123	-	156,377,540	58,080,340
Overseas	-	761,471	2,042,879	365,723	484,550	-	660,320

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47. SEGMENT REPORT

VND million

	Northern area	Central area	Southern area	Not segmented	Total
I. INCOME	17,649,999	7,184,676	8,399,015	43,763,425	76,997,115
1. Interest income	16,869,073	6,689,134	7,261,877	39,564,590	70,384,674
Interest income from external parties	6,217,858	4,084,106	5,099,509	18,735,561	34,137,034
Internal interest income	10,651,215	2,605,028	2,162,368	20,829,029	36,247,640
2. Income from services	457,062	341,337	438,480	2,357,255	3,594,134
3. Other operating income	323,864	154,205	698,658	1,841,580	3,018,307
II. EXPENSES	(14,667,331)	(5,647,962)	(6,048,912)	(36,510,923)	(62,875,128)
1. Interest expenses	(12,806,529)	(4,625,529)	(4,822,639)	(32,736,234)	(54,990,931)
Interest expenses from external customers	(8,573,860)	(2,056,620)	(1,598,519)	(6,514,292)	(18,743,291)
Internal interest expenses	(4,232,669)	(2,568,909)	(3,224,120)	(26,221,942)	(36,247,640)
2. Depreciation and amortization expenses	(47,872)	(36,468)	(33,060)	(107,390)	(224,790)
3. Other expenses directly related to operation	(1,812,930)	(985,965)	(1,193,213)	(3,667,299)	(7,659,407)
Net profit from operating activities before provision expenses for credit losses	2,982,668	1,536,714	2,350,103	7,252,502	14,121,987
Provision expenses for credit losses	119,377	(136,710)	(403,252)	(1,533,234)	(1,953,819)
Profit before tax	3,102,045	1,400,004	1,946,851	5,719,268	12,168,168
Current corporate income tax expense	-	-	-	(2,447,268)	(2,447,268)
Profit after tax	3,102,045	1,400,004	1,946,851	3,272,000	9,720,900
III. ASSETS	185,733,725	46,441,309	53,821,404	222,333,960	508,330,398
1. Cash	562,571	261,599	338,214	-	1,162,384
2. Fixed assets	177,654	128,746	98,315	2,327,072	2,731,787
3. Other assets	184,993,500	46,050,964	53,384,875	220,006,888	504,436,227
IV. LIABILITIES	182,631,680	45,041,305	51,874,552	185,444,561	464,992,098
1. Payables to external parties	182,625,074	45,037,713	51,865,236	184,900,603	464,428,626
2. Internal payables	2,511	1,046	1,318	10,673	15,548
3. Other payables	4,095	2,546	7,998	533,285	547,924

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48. RISK MANAGEMENT POLICIES RELATED TO FINANCIAL INSTRUMENTS

Risk management policies related to financial instruments

The Bank is exposed to the following risks from financial instruments:

- Credit Risk
- Liquidity Risk
- Market Risk

This note provides information about the risks the Bank may face for each type of risk, the Bank's objectives, policies, and procedures for assessing and managing risks, and the Bank's capital management.

Risk management policies

Based on the recommendations of the Risk Management Committee, the Bank's Board of Directors oversees the Chief Executive Officer in establishing and implementing risk management policies; addressing and resolving shortcomings and limitations in risk management in accordance with the requirements and recommendations of the SBV, independent audit organizations, and other regulatory authorities.

The Chief Executive Officer supervises individuals and departments based on the recommendations of the Risk Committee, Risk and Debt Resolution Committee, ALCO Committee, and Capital Management Committee in developing and implementing the Bank's risk management policies, regulations, and procedures for each management area.

The Bank's risk management policies are established to identify and analyze the risks the Bank faces, set appropriate risk limits and control measures, and monitor risks and compliance with limits. Risk management policies and systems are regularly reviewed to reflect changes in market conditions, products, and services offered by the Bank. Through training activities, stan-

dards, and management systems, the Bank aims to develop a disciplined and proactive control environment where all employees understand their roles and responsibilities.

Credit risk

The Bank is exposed to credit risk in lending, investing, acting as an intermediary on behalf of customers or third parties, and providing guarantees.

The risk of counterparties defaulting on their obligations is continuously monitored. To manage credit risk, the Bank prioritizes transactions with highly credit-worthy counterparties and, where appropriate, requires collateral.

The primary credit risk the Bank faces arises from loans and advances. The extent of this credit risk is reflected in the carrying value of assets on the financial position statement. Additionally, the Bank faces off-balance sheet credit risk in the form of credit commitments and guarantees.

The concentration of credit risk (on- or off-balance-sheet) arises from financial instruments held with groups of counterparties that have similar economic characteristics, which may result in their ability to meet obligations being similarly affected by changes in economic or other conditions.

The Bank has maintained a credit risk management policy that ensures the following basic principles:

- Establishing an appropriate credit risk management environment;
- Operating under a sound credit-granting process;
- Maintaining an appropriate credit management, measurement, and monitoring process; and
- Ensuring adequate control over credit risk.

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Credit risk management and control are implemented through relevant policies and procedures, including the credit risk management policy and the operations of the Risk Committee, Risk and Debt Resolution Committee, and Credit Committee. The Bank classifies customer and other credit institution debts based on Circular 31, regularly assessing the risk of problematic and non-performing loans and proposing appropriate resolution measures.

To manage credit risk, the Bank uses tools such as developing policies and issuing regulations related to credit risk management, establishing credit processes, conducting credit risk reviews, building credit rating and debt classification systems, and delegating authority in credit operations.

Depending on the level of risk, the Bank conducts credit approval through individual-level approvals at the Business Unit and Risk Management Division to ensure that each credit application is reviewed objectively, independently, and in compliance. The authority granted to individuals at the Business Unit is periodically reviewed and adjusted by the Bank.

Financial assets "Not overdue and not impaired" of the Bank include Group 1 debts not overdue as per Circular 31 and Decree 86, securities, receivables, and other financial assets not overdue and not subject to provisioning. The Bank's Board of Management assesses that the Bank is fully capable of collecting these financial assets in full and on time in the future.

Financial Assets "Overdue but not impaired" primarily include customer loans classified from Group 2 to Group 5 under Circular 31 and Decree 86 but not subject to provisioning because the Bank holds sufficient collateral to cover credit losses as per current SBV regulations.

Financial Assets "Overdue and impaired" include customer loans, loans to other credit institutions classified from Group 2 to Group 5, and overdue receivables as per Circular 31 and Decree 86, which require provisioning and have been provisioned by the Bank.

The figures represent the Bank's maximum on-balance sheet credit risk exposure, excluding collateral or credit support, include:

On 31 December 2024:

VND million

	Not overdue and not impaired	Overdue but not impaired				Overdue and impaired	Total
		From 10 to 90 days overdue	From 91 to 180 days overdue	From 181 to 360 days overdue	Over 360 days overdue		
Deposits with and loans to other credit institutions (*)	94,214,228	-	-	-	-	56,977	94,271,205
Loan to customers (*)	323,148,343	1,699,746	173,347	146,716	193,419	6,244,744	331,606,315
Investment securities	21,592,743	-	-	-	-	-	21,592,743
	438,955,314	1,699,746	173,347	146,716	193,419	6,301,721	447,470,263

(*) Excluding provision

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As of 31 December 2024, the bad debt ratio based on the customer's debt status at the bank is 1.57% (as of 31 December 2023, it is 1.34%). The details of the classification of assets with credit risk according to the customer's debt status at the bank are as follows:

VND million

	Loan to customers	Debt purchased	Trading and Investment securities (*)	Deposits with and loans to other credit institutions (**)	Total
Standard	323,148,343	-	21,592,743	94,214,228	438,955,314
Special mention	3,259,329	-	-	-	3,259,329
Sub-standard	855,049	-	-	-	855,049
Doubtful	1,921,132	-	-	-	1,921,132
Loss	2,422,462	-	-	56,977	2,479,439
	331,606,315	-	21,592,743	94,271,205	447,470,263

(*) Excluding foreign investment certificate, Government bonds, Government guaranteed bonds and listed bonds issued by other credit institution.

(**) Excluding demand deposits.

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to exchange rate fluctuations, The Bank was established and operates in Vietnam with VND as its reporting currency, The Bank's main transaction currency is also VND. The Bank's asset-liability structure includes different foreign currencies such as USD, EUR, AUD, etc., which leads to currency risk. The Bank has set position limits for each currency based on the Bank's internal risk assessment system and the regulations of the SBV. The currency position is managed on a daily basis and the Bank uses a risk hedging strategy to ensure that the currency position is maintained within the established limits.

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The table below presents the carrying amount of assets and liabilities by currency as at 31 December 2024:

	VND	Converted EUR	Converted USD	Converted other currencies	Total
	VND million	VND million	VND million	VND million	VND million
ASSETS					
Cash on hand	1,135,043	106	27,235	-	1,162,384
Balances with the SBV	13,401,560	-	967,974	-	14,369,534
Deposits with and loans to other credit institutions (*)	72,389,423	37,957	24,019,746	65,170	96,512,296
Trading securities	-	-	660,321	-	660,321
Derivatives and other financial assets	9,137	-	-	-	9,137
Loan to customers and debts purchased (*)	327,373,041	-	4,229,995	3,279	331,606,315
Investment securities	58,080,339	-	-	-	58,080,339
Long-term investments	548,808	-	-	-	548,808
Fixed assets	2,731,787	-	-	-	2,731,787
Other assets (*)	6,827,747	435	214,755	17	7,042,954
Total assets	482,496,885	38,498	30,120,026	68,466	512,723,875
LIABILITIES					
Deposits and borrowings from the SBV and other credit institutions	87,641,383	-	28,975,726	3,279	116,620,388
Deposits from customers	282,164,673	10,728	957,859	38,586	283,171,846
Valuable paper issued	55,458,916	-	-	-	55,458,916
Other liabilities	9,513,062	1,462	213,519	12,905	9,740,948
Equity	43,338,300	-	-	-	43,338,300
Total liabilities	478,116,334	12,190	30,147,104	54,770	508,330,398
On-balance-sheet currency position	4,380,551	26,308	(27,078)	13,696	4,393,477
Off-balance-sheet currency position	3,097,213	-	(3,088,080)	4	9,137
On and off-balance-sheet currency position	7,477,764	26,308	(3,115,158)	13,700	4,402,614

(*) Excluding provision

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Interest rate risk

Interest rate risk is the risk that arises when there is a difference in the interest rate repricing period between assets and liabilities. All credit, mobilization and investment activities of the Bank create interest rate risk.

The interest rate repricing period for fixed interest rate items is the remaining period from the financial statement date until the maturity date of the asset, and for floating interest rate items is the remaining period until the nearest valuation date.

The following assumptions and conditions are applied in the analysis of the interest rate repricing period of the Bank's assets and liabilities:

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- Cash in hand, trading securities, long-term investment and other assets (including fixed assets and other assets) are classified as non-interest bearing items;
- Deposits at the SBV are classified as demand deposits, including required reserve deposits, so the interest rate repricing period is classified as not subject to interest rate re-pricing risk or up to one month;
- The interest rate repricing period of investment securities depends on the interest rate regulations of the issuing organization for each type of securities;
- The interest rate repricing period of deposits and loans to credit institutions; loans to customers; debts to the Government and the State Bank; deposits and loans to credit institutions and customer deposit items are determined as follows:
 - o Items with fixed interest rates throughout the contract term: The interest rate repricing period is based on the actual maturity date calculated from the end of the year;
 - o Items with floating interest rates: The interest rate repricing period is based on the most recent interest rate repricing period calculated from the end of the year.
- The interest repricing period of other debts is classified according to the actual maturity of each debt calculated from the end of the year.

The following table presents the Bank's assets and liabilities classified by the shorter of the interest rate repricing period or contractual maturity date as at 31 December 2024:

VND million

	Overdue	Not subject to interest rate re-pricing risk	Interest repricing term						Total
			Up to 01 month	From 01 to 03 months	From over 03 to 06 months	From over 06 to 12 months	From over 01 to 05 years	Over 05 years	
ASSETS									
Cash on hand	-	1,162,384	-	-	-	-	-	-	1,162,384
Balances with the SBV	-	14,369,534	-	-	-	-	-	-	14,369,534
Deposits with and loans to other credit institutions (*)	56,977	-	72,030,974	24,224,345	200,000	-	-	-	96,512,296
Trading securities	-	660,321	-	-	-	-	-	-	660,321
Derivatives and other financial assets	-	9,137	-	-	-	-	-	-	9,137
Loans to customers and debts purchased (*)	3,435,008	-	19,551,098	141,052,354	110,063,144	34,599,137	19,356,431	3,549,143	331,606,315
Investment securities	-	12,986,335	250,130	600,531	2,000,000	799,881	11,657,322	29,786,140	58,080,339
Long-term investments	-	548,808	-	-	-	-	-	-	548,808
Fixed assets	-	2,731,787	-	-	-	-	-	-	2,731,787
Other assets (*)	6,403	7,036,551	-	-	-	-	-	-	7,042,954
Total assets	3,498,388	39,504,857	91,832,202	165,877,230	112,263,144	35,399,018	31,013,753	33,335,283	512,723,875
LIABILITIES									
Deposits and borrowings from the SBV and other credit institutions	-	-	85,258,431	28,587,145	17,148	24,115	2,602,912	130,637	116,620,388
Deposits from customers	-	-	63,338,797	70,413,772	74,225,737	66,848,854	8,344,359	327	283,171,846
Valuable papers issued	-	-	-	11,530,591	10,500,215	23,841,143	9,586,967	-	55,458,916
Other liabilities	-	9,740,948	-	-	-	-	-	-	9,740,948
Total liabilities	-	9,740,948	148,597,228	110,531,508	84,743,100	90,714,112	20,534,238	130,964	464,992,098
On-balance sheet interest sensitivity gap	3,498,388	29,763,909	(56,765,026)	55,345,722	27,520,044	(55,315,094)	10,479,515	33,204,319	47,731,777
On-balance sheet and off-balance sheet interest sensitivity gap	3,498,388	29,763,909	(56,765,026)	55,345,722	27,520,044	(55,315,094)	10,479,515	33,204,319	47,731,777

(*) Excluding provision

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Liquidity Risk

Liquidity risk is the risk that the Bank will suffer losses and/or be unable to pay when the Bank does not have sufficient available capital at reasonable costs and/or cannot sell assets at reasonable costs and/or must raise capital at high costs at the right time when the Bank needs to meet its payment obligations. Liquidity risk arises due to many reasons such as the imbalance in maturity of liabilities and assets, the sensitivity of assets to interest rate changes, and the risk of not being able to meet the Bank's payment obligations.

The maturity of assets and liabilities represents the remaining time of assets and liabilities from the end of the accounting year to the payment period as stipulated in the contract or in the terms of issuance.

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

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- Deposits at the SBV are classified as payment deposits, including compulsory reserve deposits, the balance of compulsory reserve deposits depends on the composition and maturity of customer deposits at the Bank.
- The maturity of deposits and loans to other credit institutions and customer loans is determined based on the maturity date of the specified contract. The actual maturity may change due to the extension of loan and deposit contracts.
- The maturity of investment securities is calculated based on the maturity date of the contract of each type of security.
- The maturity of capital contributions and long-term investments is considered to be over 5 years because these investments do not have a specified maturity date.
- The maturity of fixed assets is determined based on the remaining useful life of the asset.
- The maturity of other assets is classified according to the actual maturity of each asset.
- The maturity of deposits and loans from other credit institutions and customer deposits is determined based on the nature of these items or the maturity date in the contract. Payment deposit accounts are executed at the request of customers and are non-term deposits. The maturity of loans and term deposits is determined based on the contractual maturity date. In practice, these items can be rolled over and therefore maintained for a longer period than the initial maturity.
- The maturity of the issue of valuable papers is based on the actual maturity date of each type of valuable paper.
- The maturity of other liabilities is classified according to the actual maturity date of each liability.

The table below presents an analysis of the Bank's assets and liabilities by their respective maturity groups based on the remaining period from the end of the accounting year to the date of payment. In practice, the actual maturity of assets and liabilities may differ from the contractual period according to agreements between the parties or possible contract appendices.

The following table presents the Bank's liquidity risk as at 31 December 2024:

VND million

	Overdue		Current					Total
	Over 03 months	Due within 03 months	Due within 01 months	From over 01 to 03 months	From over 03 to 12 months	From over 01 to 05 years	Over 05 years	
ASSETS								
Cash on hand	-	-	1,162,384	-	-	-	-	1,162,384
Balances with the SBV	-	-	14,369,534	-	-	-	-	14,369,534
Deposits with and loans to other credit institutions (*)	56,977	-	72,030,974	24,224,345	200,000	-	-	96,512,296
Trading securities	-	-	660,321	-	-	-	-	660,321
Derivatives and other financial assets	-	-	9,137	-	-	-	-	9,137
Loans to customers and debt purchased (*)	1,917,302	1,517,706	9,706,512	29,668,262	150,901,712	111,263,952	26,630,869	331,606,315
Investment securities	-	-	800,131	800,531	12,042,623	13,657,322	30,779,732	58,080,339
Long-term investments	-	-	-	-	-	-	548,808	548,808
Fixed assets	-	-	-	-	-	2,731,787	-	2,731,787
Other assets (*)	6,403	-	7,036,551	-	-	-	-	7,042,954
Total assets	1,980,682	1,517,706	105,775,544	54,693,138	163,144,335	127,653,061	57,959,409	512,723,875
LIABILITIES								
Deposits and borrowings from the SBV and other credit institutions	-	-	85,258,431	28,587,145	41,263	2,602,912	130,637	116,620,388
Deposits from customers	-	-	64,908,196	68,844,373	141,074,591	8,344,359	327	283,171,846
Valuable papers issued	-	-	-	11,441,857	24,267,078	12,586,967	7,163,014	55,458,916
Other liabilities	-	-	9,740,948	-	-	-	-	9,740,948
Total liabilities	-	-	159,907,575	108,873,375	165,382,932	23,534,238	7,293,978	464,992,098
Liquidity gap	1,980,682	1,517,706	(54,132,031)	(54,180,237)	(2,238,597)	104,118,823	50,665,431	47,731,777

(*) Excluding provision

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49. FINANCIAL INSTRUMENTS

Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 06 November 2009 requires disclosure of the method of determining fair value and information on fair value of financial assets and liabilities to enable comparison of fair value and carrying value.

The fair value and carrying value of the Bank's financial instruments at the end of the accounting period are detailed in the table below:

VND million

	Trading	Book value					Fair value
		Held to maturity	Loan to customers and receivables	Available for sale	Amortised cost	Total book value	
FINANCIAL ASSETS							
Cash	1,162,384	-	-	-	-	1,162,384	1,162,384
Balances with the SBV	14,369,534	-	-	-	-	14,369,534	14,369,534
Deposits with and loans to other credit institutions (*)	-	-	96,512,296	-	-	96,512,296	(**)
Trading securities	660,321	-	-	-	-	660,321	(**)
Derivatives and other financial assets	9,137	-	-	-	-	9,137	(**)
Loans to customers and debt purchased (*)	-	-	331,606,315	-	-	331,606,315	(**)
Investment securities	-	-	-	58,080,339	-	58,080,339	(**)
Long-term investments	-	548,808	-	-	-	548,808	(**)
Other financial assets (*)	-	-	5,550,523	-	-	5,550,523	(**)
	16,201,376	548,808	433,669,134	58,080,339	-	508,499,657	
FINANCIAL LIABILITIES							
Deposits and borrowings from the SBV	-	-	-	-	1,271,377	1,271,377	(**)
Deposits and borrowings from other credit institutions	-	-	-	-	115,349,011	115,349,011	(**)
Deposits from customers	-	-	-	-	283,171,846	283,171,846	(**)
Valuable papers issued	-	-	-	-	55,458,916	55,458,916	(**)
Other financial liabilities	-	-	-	-	8,486,707	8,486,707	(**)
	-	-	-	-	463,737,857	463,737,857	

(*) Excluding provisions.

(**) The Bank has not determined the fair value of these financial instruments for disclosure in the financial statements because there is no quoted market price for these financial instruments and the Vietnamese Accounting Standards and the Vietnamese Accounting Regime applicable to Credit Institutions issued by the SBV currently do not provide guidance on how to calculate fair value using valuation techniques. The fair value of these financial instruments may differ from their carrying value.

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50. EXCHANGE RATES OF SOME FOREIGN CURRENCIES AT THE END OF THE ACCOUNTING PERIOD

Currencies	31/12/2024	31/12/2023
USD	25,495	24,185
EUR	26,790	27,006
GBP	32,075	31,028
CHF	28,271	28,839
JPY	164	172
SGD	18,848	18,433
CAD	17,850	18,389
AUD	15,949	16,636
HKD	3,283	3,141

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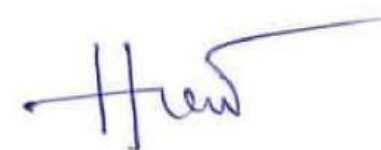
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51. EVENT AFTER REPORTING DATE

According to the Report on the results of the 2023 dividend issuance No. 212/2025/BC-LPBANK dated 7 January 2025, the Bank has distributed 429,665,684 shares to pay dividends in 2023 (Note 23.4).

25 March 2025

Prepared by



Nguyen Van Hieu
Accounting and Tax Specialist

Approved by



Nguyen Tien Cong
Chief Accountant

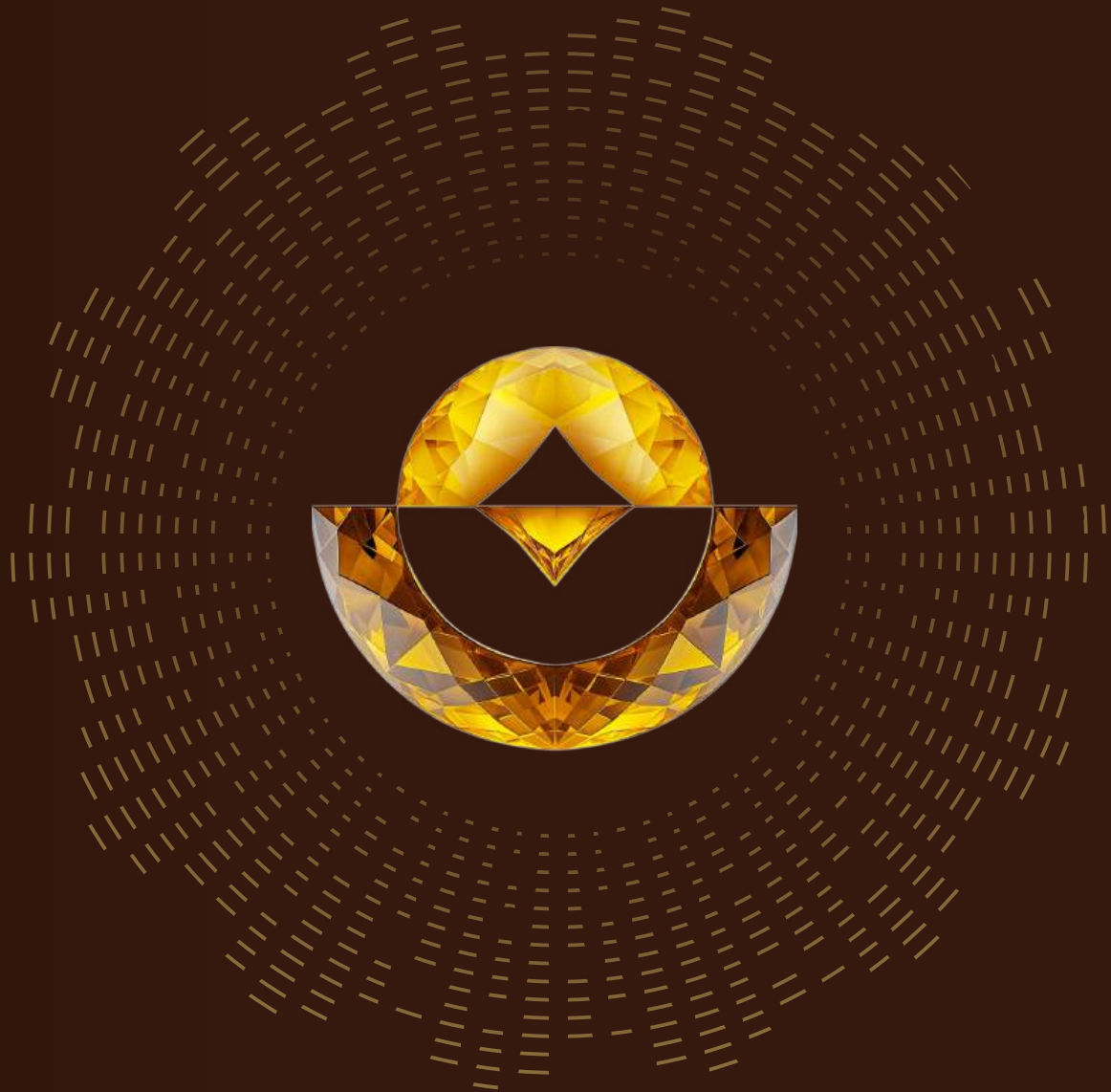
Approved by



Vu Quoc Khanh
Chief Executive Officer



LPBANK ANNUAL REPORT 2024



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