

# Bac A Commercial Joint Stock Bank

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# Bac A Commercial Joint Stock Bank

Form: B02a/TCTD-HN

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 30 June 2025

	Notes	30 Jun 2025 million dong	31 Dec 2024 million dong
<b>ASSETS</b>			
Cash and cash equivalents on hand	3	793,081	566,596
Balances with the State Bank of Vietnam ("the SBV")	4	540,875	798,225
Placements with and loans to other banks	5	25,691,930	16,023,622
Placements with other banks	5.1	20,464,199	12,454,527
Loans and advances to other banks		5,227,731	3,569,095
Provision for loans to other banks			
Trading securities	6	27,972,951	24,599,926
Trading securities		27,972,951	24,599,926
Provision for trading securities			
Derivatives and other financial assets	7	66,385	184,066
Loans and advances to customers		113,650,615	108,228,371
Loans and advances to customers	8	115,109,585	109,552,804
Provision for loans and advances to customers	9	(1,458,970)	(1,324,433)
Investment securities	10	9,415,405	9,380,559
Available-for-sale securities		9,434,347	9,400,555
Held-to-maturity securities			
Provision for investment securities		(18,942)	(19,996)
Long-term investments	11	30,656	146,156
Investments in subsidiary			
Investments in joint venture			
Investments in associate			
Other long-term investments		52,605	168,105
Provision for long-term investments		(21,949)	(21,949)
Fixed assets		1,047,645	1,058,591
Tangible fixed assets		167,931	171,659
Cost		533,234	518,530
Accumulated depreciation		(365,303)	(346,871)
Financial leases			
Cost			
Accumulated depreciation			
Intangible fixed assets		879,714	886,932
Cost		1,013,815	1,012,665
Accumulated amortization		(134,101)	(125,733)
Investment properties		3,683	3,683
Cost		3,683	3,683
Accumulated depreciation			
Other assets	12	5,744,658	4,496,898
Receivables	12.1	497,560	299,819
Interest and fee receivables		5,184,803	4,125,759
Deferred tax assets			
Other assets	12.2	62,295	71,320
In which: Goodwill			
Provision for other assets			
<b>TOTAL ASSETS</b>		<b>184,957,884</b>	<b>165,486,693</b>

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



# Bac A Commercial Joint Stock Bank

Form: B02a/TCTD-HN

## INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued) as at 30 June 2025

	Notes	30 Jun 2025 million dong	31 Dec 2024 million dong
<b>LIABILITIES</b>			
<b>Borrowings from the Government and the SBV</b>	<b>13</b>	<b>1,608,320</b>	<b>7,504</b>
Deposits and borrowings from the Government and the SBV		1,608,320	7,504
Government bonds sold and bought back with the State Treasury			
<b>Deposits and borrowings from other banks</b>	<b>14</b>	<b>19,820,744</b>	<b>11,881,039</b>
Deposits from other banks	14.1	19,652,417	11,776,283
Borrowings from other banks	14.2	168,327	104,756
<b>Customer deposits and other amounts due to customers</b>	<b>15</b>	<b>131,084,670</b>	<b>122,549,687</b>
<b>Derivatives and other financial liabilities</b>	<b>7</b>		
<b>Fund received, trusted funds and other borrowed funds</b>		<b>52,481</b>	<b>25,652</b>
<b>Valuable papers issued</b>	<b>16</b>	<b>16,719,650</b>	<b>16,020,800</b>
<b>Other liabilities</b>		<b>3,468,016</b>	<b>3,219,561</b>
Interest and fee payables		2,873,821	2,456,206
Deferred tax liabilities			
Other payables	17	594,195	763,355
Provision for off-balance sheet commitments			
<b>TOTAL LIABILITIES</b>		<b>172,753,881</b>	<b>153,704,243</b>
<b>OWNERS' EQUITY</b>			
<b>Capital and Reserves</b>	<b>19</b>	<b>12,204,003</b>	<b>11,782,450</b>
Capital	19.1	9,687,507	9,066,625
Charter capital	19.1	9,580,218	8,959,336
Capital to purchase fixed assets			
Share premium	19.1	107,289	107,289
Treasury shares			
Preference shares			
Others			
Reserves	19.1	1,245,306	1,045,470
Foreign currency translation reserve			
Asset revaluation reserve			
Retained earnings	19.1	1,271,190	1,670,355
<b>Non-controlling shareholders' interest</b>			
<b>TOTAL OWNERS' EQUITY</b>	<b>19.1</b>	<b>12,204,003</b>	<b>11,782,450</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>184,957,884</b>	<b>165,486,693</b>

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

# Bac A Commercial Joint Stock Bank

Form: B02a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)  
as at 30 June 2025

## OFF-STATEMENT OF FINANCIAL POSITION ITEMS

	Notes	30 Jun 2025 million dong	31 Dec 2024 million dong
<b>Credit guarantees</b>	<b>29</b>	<b>1,391,504</b>	<b>1,188,176</b>
<b>Commitment on the foreign exchange transactions</b>	<b>29</b>	<b>71,751,992</b>	<b>96,172,077</b>
Commitment on the purchase of foreign currency		1,167,342	16,809,800
Commitment on the sale of foreign currency		6,252,642	6,759,800
Commitment on the currency swap transactions		64,332,008	72,602,477
Commitments to conduct future transactions			
<b>Irrevocable Loan Commitment</b>	<b>29</b>	<b>3,164,184</b>	<b>1,330,645</b>
<b>Commitments in L/C operations</b>	<b>29</b>		
<b>Other guarantees</b>	<b>29</b>	<b>2,808,680</b>	<b>1,221,016</b>
<b>Other commitments</b>	<b>29</b>		
<b>Uncollected interest and fee receivables</b>	<b>30</b>	<b>629,910</b>	<b>692,361</b>
<b>Bad debts written-off</b>	<b>31</b>	<b>2,509,700</b>	<b>2,488,783</b>
<b>Other assets and documents</b>			
		<b>82,255,970</b>	<b>103,093,058</b>

Prepared by

Verified by

Approved by

*Giang*  
*Nguyen Thuy Truong Giang*  
Accountant

*Hong*  
*Hong Giang Ouy*  
Director of Finance

*Lê Ngọc Hồng Nhật*  
Deputy General Director  
PHÓ TỔNG GIÁM ĐỐC  
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Nghe An, Vietnam, ...21... July, 2025

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



# Bac A Commercial Joint Stock Bank

Form: B03a/TCTD-HN

## INTERIM CONSOLIDATED STATEMENT OF INCOME for Quarter II ended 30 June 2025

	Notes	For the Quarter ended		For the Period ended	
		30 Jun 2025 million dong	30 Jun 2024 million dong	30 Jun 2025 million dong	30 Jun 2024 million dong
Interest and similar income	20	3,268,098	2,849,624	6,467,959	5,871,786
Interest and similar expenses	21	(2,375,875)	(1,927,831)	(4,701,755)	(4,137,279)
<b>Net interest and similar income</b>		<b>892,223</b>	<b>921,793</b>	<b>1,766,204</b>	<b>1,734,507</b>
Fee and commission income	22	55,529	38,100	94,616	69,822
Fee and commission expenses	22	(12,966)	(11,893)	(30,509)	(20,617)
<b>Net fee and commission income</b>	<b>22</b>	<b>42,563</b>	<b>26,207</b>	<b>64,107</b>	<b>49,205</b>
<b>Net gain/(loss) from foreign currency trading</b>	<b>23</b>	<b>(8,256)</b>	<b>(40,207)</b>	<b>(12,085)</b>	<b>(51,887)</b>
<b>Net gain/(loss) from trading securities</b>	<b>24</b>				
<b>Net gain/(loss) from investment securities</b>	<b>24</b>	<b>54,459</b>	<b>(70,268)</b>	<b>118,162</b>	<b>(58,729)</b>
Other operating income		5,350	8,193	6,640	11,959
Other operating expenses		(357)	(334)	(481)	(1,042)
<b>Net gain/(loss) from other operating activities</b>	<b>25</b>	<b>4,993</b>	<b>7,859</b>	<b>6,159</b>	<b>10,917</b>
<b>Dividend income</b>	<b>26</b>	<b>4,896</b>		<b>4,896</b>	
<b>TOTAL OPERATING INCOME</b>		<b>990,878</b>	<b>845,384</b>	<b>1,947,443</b>	<b>1,684,013</b>
Employee expenses	27	(413,272)	(325,725)	(739,246)	(631,292)
Depreciation and amortization charges	27	(13,885)	(12,630)	(26,800)	(25,155)
Other operating expenses	27	(179,490)	(182,556)	(375,722)	(363,789)
<b>TOTAL OPERATING EXPENSES</b>	<b>27</b>	<b>(606,647)</b>	<b>(520,911)</b>	<b>(1,141,768)</b>	<b>(1,020,236)</b>
<b>Profit from operating activities before provision for credit losses</b>		<b>384,231</b>	<b>324,473</b>	<b>805,675</b>	<b>663,777</b>
Provision for credit losses		(86,859)	(132,356)	(193,622)	(185,250)
Reversal of provision for credit losses		6,464	11,274	59,085	63,454
<b>Total income before Income tax</b>		<b>303,836</b>	<b>203,391</b>	<b>671,138</b>	<b>541,981</b>

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

# Bac A Commercial Joint Stock Bank

Form: B03a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF INCOME (continued)  
for Quarter II ended 30 June 2025

	Notes	For the Quarter ended		For the Period ended	
		30 Jun 2025 million dong	30 Jun 2024 million dong	30 Jun 2025 million dong	30 Jun 2024 million dong
Current corporate income tax	18	(60,585)	(40,577)	(134,677)	(108,295)
Deferred corporate income tax					
<b>Corporate income tax ("CIT")</b>		<b>(60,585)</b>	<b>(40,577)</b>	<b>(134,677)</b>	<b>(108,295)</b>
<b>NET PROFIT FOR THE PERIOD</b>		<b>243,251</b>	<b>162,814</b>	<b>536,461</b>	<b>433,686</b>

Prepared by

Verified by

Approved by

Giang  
Nguyễn Thụy Nhung Giang

Hoàng Quang Dũng



Accountant

Director of Finance

Deputy General Director

Nghe An, Vietnam....21....July, 2025

PHÓ TỔNG GIÁM ĐỐC  
Lê Ngọc Hồng Nhật

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



# Bac A Commercial Joint Stock Bank

Form: B04a/TCTD-HN

## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS for Quarter II ended 30 June 2025

		For the Period ended	
	Notes	30 Jun 2025 million dong	30 Jun 2024 million dong
<b>OPERATING ACTIVITIES</b>			
Interest and similar income receipts		4,437,724	4,496,254
Interest and similar expense payments		(4,121,491)	(5,629,640)
Fees and commission income proceeds		64,107	49,205
Net receipts from foreign currencies and securities trading		1,063,911	1,239,544
Other operating income proceeds		6,159	(413)
Proceeds from bad debts written-off			11,330
Payments to employees and for other operating activities		(1,267,104)	(1,002,386)
Corporate income tax paid during the period	18	(160,466)	(167,130)
<b>Net cash flows from operating activities before changes in operating assets and working capital</b>		<b>22,840</b>	<b>(1,003,236)</b>
<b>Changes in operating assets</b>			
(Increase)/decrease in due from banks		2,414,529	(5,352,300)
(Increase)/decrease in trading and investment securities		(2,640,900)	5,415,546
(Increase)/decrease in derivatives and other financial assets		117,681	
(Increase)/decrease in loans and advances to customers		(5,556,781)	(2,277,526)
Decrease in provision to write off and compensate for loan losses and devaluation of investment securities & long-term investments		(1,055)	91,512
(Increase)/decrease in other assets		(175,361)	(266,492)
<b>Changes in operating liabilities</b>			
Increase/(decrease) in borrowings from the Government and the SBV		1,600,816	643,745
Increase/(decrease) in due to banks		7,939,705	(2,445,246)
Increase/(decrease) in due to customers		8,534,983	1,266,816
Increase/(decrease) in valuable papers issued (except for long-term valuable papers issued disclosed in financing activities)		4,000,000	2,000,000
Increase/(decrease) in other borrowed funds		26,829	4,171
Increase/(decrease) in derivatives and other financial liabilities			181,040
Increase/(decrease) in other liabilities		(106,140)	42,331
Payments from reserves			(104,086)
<b>Net cash flows from operating activities</b>		<b>16,177,146</b>	<b>(1,803,725)</b>
<b>INVESTING ACTIVITIES</b>			
Purchase of fixed assets		(15,854)	(14,906)
Proceeds from sale of fixed assets			
Disbursements for sale of fixed assets			
Purchase of investment properties			
Proceeds from sale of investment properties			
Disbursements for sale of investment properties			
Investments in joint ventures, associates and others			
Proceeds from sales of investment in joint ventures, associates and others			
Dividend receipts from long-term investments in the period		4,896	
<b>Net cash flows from/(used in) investing activities</b>		<b>(10,958)</b>	<b>(14,906)</b>

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

# Bac A Commercial Joint Stock Bank

Form: B04a/TCTD-HN


## INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued) for Quarter II ended 30 June 2025

Notes	For the Period ended	
	30 Jun 2025 million dong	30 Jun 2024 million dong
<b>FINANCING ACTIVITIES</b>		
Increase in charter capital	620,882	625,070
Proceeds from subordinated debts to increase tier 2 capital		2,000,000
Repayment of subordinated debts to reduce tier 2 capital	(3,463,800)	(224,557)
Dividend payment to shareholders	(620,882)	(625,070)
Purchase of treasury shares		
Proceeds from sale of treasury shares		
<b>Net cash flows from financing activities</b>	<b>(3,463,800)</b>	<b>1,775,443</b>
<b>Net increase/(decrease) in cash and cash equivalents during the period</b>	<b>12,702,388</b>	<b>(43,188)</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>14,769,111</b>	<b>15,206,324</b>
<b>Foreign exchange difference</b>		
<b>Cash and cash equivalents at the end of the period</b>	<b>27,471,499</b>	<b>15,163,136</b>

Prepared by

Verified by

Approved by

  
 Nguyen Thuy Truong Giang  
 Accountant

  
 Hoang Quynh Duyen  
 Director of Finance

  
 Deputy General Director

Nghe An, Vietnam, ...21... July, 2025

PHÓ TỔNG GIÁM ĐỐC  
 Lê Ngọc Hồng Nhật

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



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS**  
as at and for Quarter II ended 30 June 2025

**1. CORPORATE INFORMATION**

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

***Establishment and Operations***

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

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

***Chartered Capital***

The chartered capital of the Bank as at 30 June 2025 is VND 9,580,218,430,000 (Nine thousand five hundred eighty billion, two hundred eighteen million, four hundred thirty thousand dong).

***Board of directors***

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

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

***Board of Management***

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

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

***Location and operation network***

The Bank's Head Office is located at 117, Quang Trung Street, Vinh City, Nghe An Province. As at 30 June 2025, the Bank has one (01) Head Office and fifty nine (59) active branches nationwide.



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
as at and for Quarter II ended 30 June 2025**1. CORPORATE INFORMATION (continued)*****Subsidiaries***

As at 30 June 2025, the Bank has two (02) subsidiaries wholly owned by the Bank, which are:

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

***Employees***

As at 30 June 2025, the total number of employees of the Bank (including Subsidiaries) is 4,092 persons (the total number as at 31 December 2024 is 3,886 persons).

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

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

**2.2 *Basis of presentation***

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

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.2 Basis of presentation (continued)**

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

**2.3 Fiscal year and accounting currency**

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

These interim consolidated financial statements are prepared for the 2<sup>nd</sup> Quarter of 2025, which starts on 01 April 2025 and ends on 30 June 2025.

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

**2.4 Accounting estimates and assumptions**

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

**2.5 Basis of consolidation**

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

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

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

**2.6 Cash and cash equivalents**

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.7 Deposit and loans to other credit institutions**

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

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

Provisions for deposits with and loans to other credit institutions is made in accordance with Decree No. 86/2024/ND-CP dated 11 July 2024 provides for amounts and methods of establishing risk provisions and use of provisions for management of risks arising from operations of credit institutions and foreign bank branches ("Decree 86/2024"). Accordingly, the Bank makes specific provisions for deposits (excluding demand deposits) and loans to other credit institutions.

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

**2.8 Loans and advances to customers**

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

*Loans classification*

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

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

*Provision for credit losses*

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

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.8 Loans and advances to customers (continued)**

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

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

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

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

*Write off*

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

**2.9 Trading securities**

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

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

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

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

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.10 Investment securities**

**2.10.1 Available-for-sale securities**

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

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

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

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

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

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

**2.10.2 Held-to-maturity securities**

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

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



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
as at and for Quarter II ended 30 June 2025**2. SIGNIFICANT ACCOUNTING POLICIES (continued)****2.11 Other long-term investments**

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

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

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

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

**2.12 Fixed assets**

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

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

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

**2.13 Depreciation and amortization**

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

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

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

**2.14 Receivables are classified as credit-risk assets**

Receivables classified as credit-risk assets are recorded at cost. The Bank performs debt classification for receivables classified as credit risk-weighted assets in accordance with Circular 31/2024/TT-NHNN and makes provisions for credit risk in accordance with the provisions of Decree No. 86/2024/ND-CP.

**2.15 Others Receivables**

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

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.15 Others Receivables (continued)**

For overdue receivables, the provision rates are as follows:

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

**2.16 Prepaid expenses and pending expenses**

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

**2.17 Goodwill**

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

**2.18 Repurchase and Resale Contract**

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

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

**2.19 Operating lease**

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

**2.20 Borrowings, deposits and valuable papers issued**

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

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

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

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

**2.22 Payables and accruals**

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

**2.23 Shareholders' equity***Ordinary shares*

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

*Shares premium*

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

*Funds of credit institution*

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

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

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

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

**2.24.2 Banking service fees**

Banking service fees are recognized when the service is rendered.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.24 Recognition of revenues and expenses (continued)**

**2.24.3 Revenue from investment activities**

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

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

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

**2.24.4 Revenue from other services**

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

**2.24.5 Accounting for receivable but unrecognized revenue**

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

**2.25 Corporate income taxes**

**2.25.1 Current corporate income tax**

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

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

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

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

**2.25.2 Deferred income tax**

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



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.25 Corporate income taxes (continued)**

**2.25.2 Deferred income tax (continued)**

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

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

**2.26 Provision for off-balance sheet commitments**

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

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

**2.27 Currency derivative contracts**

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

*Foreign currency forward contracts*

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

*Swap contracts*

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

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

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

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
as at and for Quarter II ended 30 June 2025

**2. SIGNIFICANT ACCOUNTING POLICIES (continued)**

**2.28 Related parties**

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

**2.29 Offsetting**

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

**2.30 Restatement of opening balances**

Bac A Bank's independent auditors did not propose any audit adjustment to the Bank's consolidated financial statements for the year ended 31 December 2024.

Therefore, Bac A Bank is not required to make any restatement to the opening balances (31 December 2024) of the interim consolidated financial statements for Quarter II and the period ended 30 June 2025.

**3. CASH AND CASH EQUIVALENTS ON HAND**

	<i>30 Jun 2025</i> <i>million dong</i>	<i>31 Dec 2024</i> <i>million dong</i>
Cash on hand in VND	740,416	522,970
Cash on hand in foreign currencies	52,665	43,626
	<b>793,081</b>	<b>566,596</b>

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

	<i>30 Jun 2025</i> <i>million dong</i>	<i>31 Dec 2024</i> <i>million dong</i>
Current accounts at the SBV	540,875	798,225
	<b>540,875</b>	<b>798,225</b>

**5. PLACEMENTS WITH AND LOANS TO OTHER BANKS**

	<i>30 Jun 2025</i> <i>million dong</i>	<i>31 Dec 2024</i> <i>million dong</i>
Placements with other banks	20,464,199	12,454,527
Loans to other banks	5,227,731	3,569,095
Provision for credit losses of loans to other banks		
	<b>25,691,930</b>	<b>16,023,622</b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

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

**5.1 Placements with other banks**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
<b>Demand deposits with other banks</b>	<b>7,360,939</b>	<b>6,328,677</b>
In VND	6,004,258	4,965,505
In foreign currencies	1,356,681	1,363,172
<b>Term deposits with other banks</b>	<b>13,103,260</b>	<b>6,125,850</b>
In VND	12,900,000	6,100,000
In foreign currencies	203,260	25,850
	<b>20,464,199</b>	<b>12,454,527</b>

**6. TRADING SECURITIES**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
<b>Debt securities</b>	<b>27,972,951</b>	<b>24,599,926</b>
Certificate of deposits	27,972,951	24,599,926
<b>Equity securities</b>		
Securities issued by other local credit institutions		
Securities issued by local business entities		
<b>Other trading securities</b>		
<b>Provision for trading securities</b>		
	<b>27,972,951</b>	<b>24,599,926</b>

**7. DERIVATIVES AND OTHER FINANCIAL ASSETS**

	<i>Total value of financial contracts (the exchange rates are based on the effective date of contract) million dong</i>	<i>The book value of financial contracts (the exchange rates are based on the statement of financial position date)</i>	
		<i>Assets million dong</i>	<i>Liabilities million dong</i>
<b>As at 30 Jun 2025</b>			
<b>Derivative contracts</b>	<b>66,385</b>	<b>66,385</b>	
Swap currency contracts	66,385	66,385	
<b>Other derivative contracts</b>			
<b>As at 31 Dec 2024</b>			
<b>Derivative contracts</b>	<b>184,066</b>	<b>184,066</b>	
Swap currency contracts	184,066	184,066	
<b>Other derivative contracts</b>			

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
as at and for Quarter II ended 30 June 2025

**8. LOANS AND ADVANCES TO CUSTOMERS**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Loans to local business entities and individuals	115,109,257	109,552,476
Discount of commercial bills and valuable papers		
Trust loans	240	240
Other loans	88	88
	<b>115,109,585</b>	<b>109,552,804</b>

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

**8.1 Analysis of loans by quality**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Current	113,162,964	107,804,232
Special mentioned	504,079	389,411
Substandard	144,316	194,360
Doubtful	156,707	270,901
Loss	1,141,519	893,900
	<b>115,109,585</b>	<b>109,552,804</b>

**8.2 Analysis of loans by original terms**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Short-term loans	53,051,341	51,798,983
Medium-term loans	17,253,930	15,368,916
Long-term loans	44,804,314	42,384,905
	<b>115,109,585</b>	<b>109,552,804</b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**9. CHANGES IN THE PROVISION FOR CREDIT LOSSES**

The breakdown of provision for loan losses as at 30 June 2025 that is disclosed in the interim consolidated statement of financial position is as follows:

	<i>30 Jun 2025 million dong</i>
Specific provision	604,210
General provision	854,760
	<b>1,458,970</b>

Changes in the provision for credit losses during the period ended 30 June 2025 are summarized below:

	<i>Specific provision million dong</i>	<i>General provision million dong</i>	<i>Total million dong</i>
<b>Opening balance</b>	<b>509,491</b>	<b>814,942</b>	<b>1,324,433</b>
Provision expense in the period	127,605	66,017	193,622
Reversal of provision during the period	(32,886)	(26,199)	(59,085)
Bad debts written-off during the period			
<b>Closing balance</b>	<b>604,210</b>	<b>854,760</b>	<b>1,458,970</b>

Changes in the provision for credit losses during the year 2024 are summarized below:

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

10. INVESTMENT SECURITIES

	30 Jun 2025 million dong	31 Dec 2024 million dong
<b>Available-for-sale securities</b>	<b>9,415,405</b>	<b>9,380,559</b>
<b>Debt securities</b>	<b>9,182,347</b>	<b>9,264,055</b>
Securities issued by the Government of Vietnam	3,458,002	3,695,935
Securities issued by other local credit institutions	3,198,722	2,902,018
<i>Securities guaranteed by the Government</i>	2,300,818	2,301,964
<i>Securities issued by other local credit institutions</i>	897,904	600,054
Securities issued by local business entities	2,525,623	2,666,102
<b>Equity securities</b>	<b>252,000</b>	<b>136,500</b>
Securities issued by other local credit institutions	136,500	136,500
Securities issued by local business entities	115,500	
<b>Provision for available-for-sale securities</b>	<b>(18,942)</b>	<b>(19,996)</b>
	<b>9,415,405</b>	<b>9,380,559</b>

11. OTHER LONG-TERM INVESTMENTS

Details of other long-term investments are as follows:

	30 Jun 2025 million dong	31 Dec 2024 million dong
Investment in subsidiary		
Other long-term investments	52,605	168,105
Provision for long-term investments	(21,949)	(21,949)
	<b>30,656</b>	<b>146,156</b>



# Bac A Commercial Joint Stock Bank

Form: B05a/TCTD-HN

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

## 12. OTHER ASSETS

	30 Jun 2025 million dong	31 Dec 2024 million dong
Interest and fee receivables	5,184,803	4,125,759
Construction in progress		
Receivables	497,560	299,819
Other assets	62,295	71,320
Deferred tax assets		
	<b>5,744,658</b>	<b>4,496,898</b>

### 12.1 Receivables

	30 Jun 2025 million dong	31 Dec 2024 million dong
<b>Internal receivables</b>	<b>186,101</b>	<b>69,366</b>
Receivables from employees	52,058	28,987
Other internal receivables	134,043	40,379
<b>External receivables</b>	<b>311,459</b>	<b>230,453</b>
Receivables from customers	244,736	168,009
Margin deposits	63,588	59,447
Receivables from State Budget	3,135	2,997
Construction in progress		
	<b>497,560</b>	<b>299,819</b>

### 12.2 Other assets

	30 Jun 2025 million dong	31 Dec 2024 million dong
Trust assets		
Prepaid expenses	35,656	41,206
Foreclosed assets		
Others	26,639	30,114
	<b>62,295</b>	<b>71,320</b>

## 13. BORROWING FROM GOVERNMENT AND THE SBV

	30 Jun 2025 million dong	31 Dec 2024 million dong
<b>Borrowings from the SBV</b>	<b>1,608,320</b>	<b>7,504</b>
Borrowings on the basis of credit file	4,065	7,504
Discount loans	1,604,255	
Borrowings against mortgage of valuable papers		
<b>Deposits from the State Treasury</b>		
<b>Government bonds sold and bought back with the State Treasury</b>		
<b>Other borrowings</b>		
	<b>1,608,320</b>	<b>7,504</b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**14. DEPOSITS AND BORROWINGS FROM OTHER BANKS**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Deposits from other banks	19,652,417	11,776,283
Borrowings from other banks	168,327	104,756
	<b>19,820,744</b>	<b>11,881,039</b>

**14.1 Deposits from other banks**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
<b>Demand deposits</b>	<b>5,902,417</b>	<b>4,901,283</b>
In VND	5,902,417	4,901,283
In foreign currencies		
<b>Term deposits</b>	<b>13,750,000</b>	<b>6,875,000</b>
In VND	13,750,000	6,400,000
In foreign currencies		475,000
	<b>19,652,417</b>	<b>11,776,283</b>

**14.2 Borrowings from other banks**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
<b>In VND</b>	<b>167,620</b>	<b>104,057</b>
<i>In which: Discount and rediscount loans</i>		
<b>In foreign currency</b>	<b>707</b>	<b>699</b>
<i>In which: Discount and rediscount loans</i>		
	<b>168,327</b>	<b>104,756</b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**15. DEPOSITS AND OTHER AMOUNTS DUE TO CUSTOMERS**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
<b>Demand deposits</b>	<b>3,962,739</b>	<b>3,433,196</b>
Demand deposit in VND	3,912,761	3,383,320
Demand saving deposits in VND	46	46
Demand deposits in foreign currencies	49,932	49,830
Demand saving deposits in foreign currencies		
<b>Term deposits</b>	<b>126,934,729</b>	<b>118,967,213</b>
Term deposit in VND	3,575,488	3,819,420
Term saving deposits in VND	123,271,024	115,073,918
Term deposits in foreign currencies		
Term saving deposits in foreign currencies	88,217	73,875
<b>Deposits for specific purpose</b>	<b>29</b>	<b>27</b>
<b>Margin deposits</b>	<b>187,173</b>	<b>149,251</b>
Margin deposits in VND	186,357	148,922
Margin deposits in foreign currencies	816	329
	<b>131,084,670</b>	<b>122,549,687</b>

**16. VALUABLE PAPERS ISSUED**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Under 12 months	4,000,000	3,000,000
From 12 months to 05 years	8,501,950	8,001,950
From and above 05 years	4,217,700	5,018,850
	<b>16,719,650</b>	<b>16,020,800</b>

**17. OTHER PAYABLES**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Internal payables	253,188	516,987
External payables	135,656	148,442
Bonus and welfare funds	205,351	97,926
	<b>594,195</b>	<b>763,355</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
as at and for Quarter II ended 30 June 2025

**18. OBLIGATIONS TO THE STATE BUDGET**

	<i>Opening balance</i>	<i>Movements during the period</i>		<i>Closing balance</i>
		<i>Payable</i>	<i>Paid</i>	
Value Added Tax	1,325	8,052	8,072	1,305
Corporate Income Tax (*)	86,375	134,677	160,466	60,586
Other fees and tax payables	23,708	111,038	110,026	24,720
	<b>111,408</b>	<b>253,767</b>	<b>278,564</b>	<b>86,611</b>

*Unit: million dong*

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

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



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

### 19.1 Statement of changes in owners' equity

Changes in owners' equity of the Bank during the period ended 30 June 2025 are described in the following table:

Unit: million dong

	Charter capital	Share premium	Investment and development fund	Financial reserve	Supplemental capital reserve	Other reserves	Retained earnings/ (Accumulated losses)	Total
<b>Opening balance</b>	<b>8,959,336</b>	<b>107,289</b>	<b>564</b>	<b>710,112</b>	<b>334,794</b>		<b>1,670,355</b>	<b>11,782,450</b>
<b>Increase in the period</b>	<b>620,882</b>			<b>99,918</b>	<b>99,918</b>		<b>536,461</b>	<b>1,357,179</b>
Capital increase in the period (i)	620,882							620,882
Net profit for the period							536,461	536,461
Appropriation to reserves for previous period (ii)				99,918	99,918			199,836
Temporary appropriation to reserves for current period								
Other increases								
<b>Decrease in the period</b>							<b>935,626</b>	<b>935,626</b>
Utilisation in the period							314,744	314,744
Treasury shares bought back during the period								
Final dividend payment for previous period (i)							620,882	620,882
Dividend paid in advance for the period								
Other decreases								
<b>Closing balance</b>	<b>9,580,218</b>	<b>107,289</b>	<b>564</b>	<b>810,030</b>	<b>434,712</b>		<b>1,271,190</b>	<b>12,204,003</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
as at and for Quarter II ended 30 June 2025

**19. OWNERS' EQUITY AND RESERVES (continued)**

**19.1 Statement of changes in owners' equity (continued)**

(i) In the period, the Bank increased its charter capital from VND 8,959,336,420,000 to VND 9,580,218,430,000 in accordance with Resolution No. 02/2024/NQ-ĐHĐCĐ dated 27 April 2024 of the General Meeting of Shareholders. Accordingly, the Bank issued 62,088,201 ordinary shares with par value of VND 10,000/share through the form of share issuance to pay dividends to existing shareholders from its accumulated retained earnings of 2023.

(ii) The Bank distributed 2024's profit according to the Resolution No 02/2025/NQ-ĐHĐCĐ dated 19 April 2025 as follows:

	<i>Amount million dong</i>
Supplemental charter capital reserve	49,959
Financial reserve	99,918
Welfare fund	99,918
Remuneration to members of Board of Directors and Board of Supervisors	14,988

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

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Contributed capital	9,580,218	8,959,336
<i>Contributed capital by shareholders</i>	9,580,218	8,959,336
Share premium	107,289	107,289
Treasury shares		
	<b>9,687,507</b>	<b>9,066,625</b>

Details of shares issued by the Bank are as follows:

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
<i>Shares registered for issuance</i>	958,021,843	895,933,642
<i>Shares sold to the public</i>	958,021,843	895,933,642
Ordinary shares	958,021,843	895,933,642
Preference shares		
<i>Treasury shares</i>		
Ordinary shares		
Preference shares		
<i>Outstanding shares</i>	958,021,843	895,933,642
Ordinary shares	958,021,843	895,933,642
Preference shares		
<i>Face value of outstanding shares (VND/share)</i>	10,000	10,000



**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
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**20. INTEREST AND SIMILAR INCOME**

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
Interest income from deposits with other banks	171,795	44,837
Interest income from loans to customers	5,086,946	5,127,241
Interest income from debt securities	1,188,845	689,124
Interest income from trading securities	738,926	602,125
Interest income from investment securities	449,919	86,999
Fee income from guarantee activities	20,294	10,568
Other interest income from credit activities	79	16
	<b>6,467,959</b>	<b>5,871,786</b>

**21. INTEREST AND SIMILAR EXPENSES**

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
Interest and similar expenses for customer deposits	4,233,789	3,938,305
Interest and similar expenses for borrowings	176	211
Interest expenses for issuing valuable papers	467,353	198,474
Other expenses for credit activities	437	289
	<b>4,701,755</b>	<b>4,137,279</b>

**22. NET FEE AND COMMISSION INCOME**

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
<b>Fee and commission income from</b>	<b>94,616</b>	<b>69,822</b>
Settlement services	18,665	17,574
Treasury operations	688	593
Agency services	25,337	23,408
Advisory service	140	4,446
Other services	49,786	23,801
<b>Fees and commission expenses for</b>	<b>(30,509)</b>	<b>(20,617)</b>
Settlement services	(11,180)	(10,247)
Treasury operations	(2,035)	(2,027)
Agency services	(2,054)	(1,083)
Advisory service	(5,055)	(2,604)
Other services	(10,185)	(4,656)
<b>Net fee and commission income</b>	<b>64,107</b>	<b>49,205</b>

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

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

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
<b>Income from foreign currency trading</b>	<b>37,451</b>	<b>155,811</b>
Income from foreign exchange spot contracts	37,419	155,811
Income from currency derivatives	32	
<b>Expenses for foreign currency trading</b>	<b>(49,536)</b>	<b>(207,698)</b>
Expenses for foreign exchange spot contracts	(49,536)	(207,698)
Expenses for currency derivatives		
<b>Net gain/(loss) from foreign exchange trading</b>	<b>(12,085)</b>	<b>(51,887)</b>

**24. NET GAIN/(LOSS) FROM SECURITIES**

**24.1 Net gain/(loss) from investment securities**

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
Income from trading of investment securities	130,476	77,037
Expense from trading of investment securities	(13,334)	(25,770)
(Provision)/Reversal of provision for investment securities	1,020	(109,996)
<b>Net gain/(loss) from investment securities</b>	<b>118,162</b>	<b>(58,729)</b>

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

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
Income from debt trading activities		
Income from other derivative financial instruments		
Other operating incomes	6,640	11,959
Other operating expenses	(481)	(1,042)
<b>Net gain/(loss) from other operating activities</b>	<b>6,159</b>	<b>10,917</b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

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

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
<b>Dividends received from equity investments:</b>		
- from equity trading securities		
- from equity investment securities		
- from long-term investments	4,896	
<b>Other incomes</b>		
<b>Gain/(Loss) from equity investments</b>	<b>4,896</b>	

**27. OPERATING EXPENSES**

	<i>For financial period ended 30 Jun 2025 million dong</i>	<i>For financial period ended 30 Jun 2024 million dong</i>
<b>Tax expenses and fees</b>	<b>5,240</b>	<b>3,998</b>
<b>Employee expenses</b>	<b>739,246</b>	<b>631,292</b>
Salary and allowances	576,480	478,106
Salary related contribution	62,794	56,347
Other allowances	1,525	162
Others	98,447	96,677
<b>Expenses on fixed assets</b>	<b>141,654</b>	<b>133,557</b>
In which:		
Depreciation expenses	26,800	25,155
<b>General and administration expenses</b>	<b>15,039</b>	<b>12,809</b>
Business trip expenses	14,601	11,065
Expenses for trade union activities	438	1,744
<b>Insurance for customer deposits</b>	<b>92,044</b>	<b>84,661</b>
<b>Provision for long-term investments</b>		
<b>Other operating expenses</b>	<b>148,545</b>	<b>153,919</b>
	<b>1,141,768</b>	<b>1,020,236</b>

**28. CASH AND CASH EQUIVALENTS**

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

	<i>30 Jun 2025 million dong</i>	<i>30 Jun 2024 million dong</i>
Cash and cash equivalents on hand	793,081	635,520
Demand deposits at the SBV	540,875	459,653
Deposits with other banks (demand or term less than 90 days)	20,464,199	13,368,065
Loans to other banks due within 90 days	4,523,165	
Securities with original maturity of less than 90 days from the acquisition dates	1,150,179	699,898
	<b>27,471,499</b>	<b>15,163,136</b>

**NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)**  
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**29. CONTINGENT LIABILITIES AND COMMITMENTS**

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

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

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

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

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

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

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

	<i>30 Jun 2025</i> <i>million dong</i>	<i>31 Dec 2024</i> <i>million dong</i>
<b>Credit guarantees</b>	<b>1,391,504</b>	<b>1,188,176</b>
<b>Commitment on the foreign exchange transactions</b>	<b>71,751,992</b>	<b>96,172,077</b>
Commitment on the purchase of foreign currency	1,167,342	16,809,800
Commitment on the sale of foreign currency	6,252,642	6,759,800
Commitment on the currency swap transactions	64,332,008	72,602,477
Commitments to conduct future transactions		
<b>Irrevocable loan commitments</b>	<b>3,164,184</b>	<b>1,330,645</b>
<b>Commitments in L/C operations</b>		
<b>Other guarantees</b>	<b>2,808,680</b>	<b>1,221,016</b>
<b>Other commitments</b>		
	<b>79,116,360</b>	<b>99,911,914</b>



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**30. UNCOLLECTED INTEREST AND FEE RECEIVABLES**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Uncollected loan interest	629,880	580,751
Uncollected security interest		111,580
Uncollected fee receivables	30	30
	<b>629,910</b>	<b>692,361</b>

**31. BAD DEBTS WRITTEN-OFF**

	<i>30 Jun 2025 million dong</i>	<i>31 Dec 2024 million dong</i>
Principal of bad debts written-off under monitoring	594,667	600,645
Interest of bad debts written-off under monitoring	1,915,033	1,888,138
	<b>2,509,700</b>	<b>2,488,783</b>

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

*Unit: million dong*

Location	<i>Loans to customers and to other credit institutions</i>	<i>Deposits and borrowings from customers and other credit institutions</i>	<i>Credit commitments</i>	<i>Derivative (Total value of contracts)</i>	<i>Trading and investments securities</i>
Domestic	120,337,316	150,905,414	7,364,368	66,385	37,407,298
	<b>120,337,316</b>	<b>150,905,414</b>	<b>7,364,368</b>	<b>66,385</b>	<b>37,407,298</b>

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

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

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

As at 30 June 2025, the Bank has two subsidiaries wholly owned by the Bank, which are Bac A Debt Management and Asset Development one sole member Company Limited, specializing in debt and asset management and Bac A money transfer company limited (as described in Note 1).

Significant transactions with related parties during the quarter ended 30 June 2025 are as follows:

<i>Transactions</i>	<u>30 Jun 2025 million dong</u>
Income from financing activities	2,499
Income from Agency services	
Fees and commission expenses	209

Amounts due to and due from related parties as at 30 June 2025 are as follows:

<i>Transactions</i>	<u>30 Jun 2025 million dong</u>
Subsidiaries' deposits at Bac A Bank	160,056
Investment in Subsidiaries	127,000



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**34. MARKET RISK****34.1 Interest rate risk**

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

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

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

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

### 34.1 Interest risk (continued)

Unit: million dong									
	Overdue	Non-interest bearing	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Above 5 years	Total
<b>ASSETS</b>									
Cash and cash equivalents on hand		793,081							793,081
Balances with the State Bank of Vietnam			540,875						540,875
Placements with and loans to other banks (*)			20,464,199		103,387	1,314,618	3,809,726		25,691,930
Trading securities (*)			2,100,129	5,268,368	9,353,575	11,250,879			27,972,951
Derivative financial instruments and other financial assets			66,385						66,385
Loans and advances to customers (*)	1,946,621		30,330,019	63,870,325	15,387,385	2,691,962	461,061	422,212	115,109,585
Investment securities (*)		252,000			50,455	294,152	6,251,939	2,585,801	9,434,347
Long-term investments (*)		52,605							52,605
Fixed assets and investment properties		1,051,328							1,051,328
Other assets (*)		5,744,658							5,744,658
<b>Total assets</b>	<b>1,946,621</b>	<b>7,893,672</b>	<b>53,501,607</b>	<b>69,138,693</b>	<b>24,894,802</b>	<b>15,551,611</b>	<b>10,522,726</b>	<b>3,008,013</b>	<b>186,457,745</b>
<b>LIABILITIES</b>									
Deposits of and loans from the SBV and other banks			21,424,998	60	2,256	416	1,334		21,429,064
Customers deposits		303,945	23,284,138	25,205,613	38,980,977	32,138,475	11,171,522		131,084,670
Derivative financial instruments and other financial assets									
Other borrowed funds							52,481		52,481
Valuable papers			1,950		2,000,000	2,000,000	8,500,000	4,217,700	16,719,650
Other liabilities		3,468,016							3,468,016
<b>Total liabilities</b>		<b>3,771,961</b>	<b>44,711,086</b>	<b>25,205,673</b>	<b>40,983,233</b>	<b>34,138,891</b>	<b>19,725,337</b>	<b>4,217,700</b>	<b>172,753,881</b>
<b>Sensitive difference with on-balance sheet interest rate</b>	<b>1,946,621</b>	<b>4,121,711</b>	<b>8,790,521</b>	<b>43,933,020</b>	<b>(16,088,431)</b>	<b>(18,587,280)</b>	<b>(9,202,611)</b>	<b>(1,209,687)</b>	<b>13,703,864</b>

(\*): These balances do not include provisions.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**34. MARKET RISK** (continued)

**34.2 Currency risk**

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**34. MARKET RISK (continued)**

**34.2 Currency risk (continued)**

Classification of assets, liabilities and owners' equity of which currencies are translated into VND as at 30 June 2025 is as follows:

	<i>Unit: million dong</i>		
	<i>EUR as translated</i>	<i>USD as translated</i>	<i>Other foreign currencies as translated</i>
			<i>Total</i>
<b>ASSETS</b>			
Cash and cash equivalents on hand	6,990	45,675	52,665
Balances with the State Bank of Vietnam		3,291	3,291
Placements with and loans to other banks (*)	6,426	1,385,021	1,559,953
Trading securities (*)			
Derivatives and other financial assets (*)		508,151	508,151
Loans and advances to customers (*)		130,355	130,355
Investment securities (*)			
Long-term investments (*)			
Fixed assets and investment properties			
Other assets (*)		56,369	1,879
			58,248
<b>Total assets</b>	<b>13,416</b>	<b>2,128,862</b>	<b>170,385</b>
			<b>2,312,663</b>
<b>LIABILITIES</b>			
Deposits of and loans from the SBV and other banks		707	707
Customers' deposits	5,521	133,444	41
Derivatives and other financial liabilities			139,006
Other borrowings			
Valuable papers			
Other liabilities	13	768	781
Capital and reserves			
<b>Total liabilities and owner's equity</b>	<b>5,534</b>	<b>134,919</b>	<b>41</b>
			<b>140,494</b>
<b>FX position on-balance sheet</b>	<b>7,882</b>	<b>1,993,943</b>	<b>170,344</b>
			<b>2,172,169</b>
<b>FX position off-balance sheet</b>		<b>(5,085,300)</b>	<b>(5,085,300)</b>
<b>FX position on, off-balance sheet</b>	<b>7,882</b>	<b>(3,091,357)</b>	<b>170,344</b>
			<b>(2,913,131)</b>

(\*): These balances do not include provisions.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**34. MARKET RISK (continued)**

**34.3 Liquidity risk**

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

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

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

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

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
as at and for Quarter II ended 30 June 2025

**34. MARKET RISK (continued)**

**34.3 Liquidity risk (continued)**

Unit: million dong

	Overdue		Before due date					Total
	Above 3 months	Up to 3 months	Up to 1 month	1 - 3 months	3 - 12 months	1 - 5 years	Above 5 years	
<b>ASSETS</b>								
Cash and cash equivalents on hand			793,081					793,081
Balances with the State Bank of Vietnam			540,875					540,875
Placements with and loans to other banks(*)			20,464,199		1,418,004	3,809,727		25,691,930
Trading securities (*)			27,972,951					27,972,951
Derivative financial instruments and other financial assets			66,385					66,385
Loans and advances to customers(*)	1,442,542	504,079	4,049,725	14,634,213	35,979,452	28,934,527	29,565,047	115,109,585
Investment securities (*)			252,000		344,608	6,251,938	2,585,801	9,434,347
Long-term investments (*)						52,605		52,605
Fixed assets and investment properties			6	90	3,217	110,128	937,887	1,051,328
Other assets (*)			422,888	1,028,614	2,257,784	1,594,866	440,506	5,744,658
<b>Total assets</b>	<b>1,442,542</b>	<b>504,079</b>	<b>54,562,110</b>	<b>15,662,917</b>	<b>40,003,065</b>	<b>40,753,791</b>	<b>33,529,241</b>	<b>186,457,745</b>
<b>LIABILITIES</b>								
Deposits of and loans from the SBV and other banks			21,424,998	60	2,671	1,335		21,429,064
Customers' deposits			23,588,083	25,205,613	71,119,452	11,171,522		131,084,670
Derivative financial instruments and other financial liabilities						52,481		52,481
Other borrowings						8,500,000	4,217,700	16,719,650
Valuable papers			1,950		4,000,000			4,001,950
Other liabilities			1,108,272	553,561	1,561,380	244,803		3,468,016
<b>Total liabilities</b>			<b>46,123,303</b>	<b>25,759,234</b>	<b>76,683,503</b>	<b>19,970,141</b>	<b>4,217,700</b>	<b>172,753,881</b>
<b>Net liquidity difference</b>	<b>1,442,542</b>	<b>504,079</b>	<b>8,438,807</b>	<b>(10,096,317)</b>	<b>(36,680,438)</b>	<b>20,783,650</b>	<b>29,311,541</b>	<b>13,703,864</b>

(\*): These balances do not include provisions.



NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS (continued)  
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**35. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE**

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

Prepared by

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Accountant

Verified by

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Director of Finance

Approved by



Deputy General Director

PHÓ TỔNG GIÁM ĐỐC

*Lê Ngọc Hồng Nhật*

Nghe An, Vietnam, 21... July, 2025