

HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK

**CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**



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HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK

THE BANK'S INFORMATION

Establishment and Operation licence	No. 26/GP-NHNN dated 12 February 2020 The Establishment and Operation Licence No. 00019/NH-GP dated 6 June 1992 was initially issued by the State Bank of Vietnam ("SBV") and was replaced by the Licence No. 26/GP-NHNN dated 12 February 2020 and Decisions for amendment, supplement of the Establishment and Operation Licence for a period of 99 years from the date of the initial licence.	
Enterprise Registration Certificate	No. 0300608092 dated 11 August 1992 was initially issued by the Department of Planning and Investment of Ho Chi Minh City with the latest 33 rd amendment dated 5 September 2023.	
Board of Directors	Mr. Kim Byounggho Ms. Nguyen Thi Phuong Thao Mr. Luu Duc Khanh Mr. Nguyen Thanh Do Mr. Nguyen Huu Dang Mr. Le Manh Dung Mr. Pham Quoc Thanh	Chairman, Independent member Permanent Vice Chairwoman Vice Chairman Vice Chairman Vice Chairman (to 8 January 2025) Independent member Member
Board of Management	Mr. Pham Quoc Thanh Mr. Nguyen Minh Duc Mr. Le Thanh Tung Mr. Nguyen Van Hao Mr. Nguyen Dang Thanh Mr. Tran Hoai Nam Mr. Nguyen Canh Vinh Mr. Tran Thai Hoa Mr. Tran Xuan Huy Mr. Le Thanh Trung Mr. Pham Van Dau Ms. Ho Dang Hoang Quyen	General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director (re-appointed on 27 February 2025) Deputy General Director Deputy General Director (re-appointed on 26 May 2024) Deputy General Director (re-appointed on 16 October 2024 discharged on 15 January 2025) Deputy General Director (to 16 December 2024) Chief Financial Officer Chief Accountant
Board of Supervisors	Mr. Dao Duy Tuong Ms. Duong Thi Thu Ms. Bui Thi Kieu Oanh Mr. Nguyen Le Hieu	Head of Board of Supervisors Member Member Member
Legal Representative	Mr. Pham Quoc Thanh	General Director
Head Office	25Bis Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam	
Auditor	PwC (Vietnam) Limited	

HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK

STATEMENT OF THE BOARD OF MANAGEMENT

Statement of Responsibility of the Board of Management of the Bank in respect of the consolidated financial statements

The Board of Management of Ho Chi Minh City Development Joint Stock Commercial Bank ("the Bank") is responsible for preparing the consolidated financial statements which give a true and fair view of the consolidated financial position of the Bank and its subsidiary as at 31 December 2024, the results of its consolidated financial performance and its consolidated cash flows for the year then ended. In preparing the consolidated 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; and
- prepare the consolidated financial statements on a going concern basis unless it is inappropriate to presume that the Bank and its subsidiary will continue in business.

The Board of Management of the Bank is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the consolidated financial position of the Bank and its subsidiary and enable consolidated financial statements to be prepared which comply with the basis of accounting as set out in Note 2 to the consolidated financial statements. The Board of Management is also responsible for safeguarding the assets of the Bank and its subsidiary and hence for taking reasonable steps for the prevention and detection of fraud or error.

Approval of the consolidated financial statements

We hereby, approve the accompanying consolidated financial statements as set out on pages 5 to 85. The consolidated financial statements which give a true and fair view of the consolidated financial position of the Bank and its subsidiary as at 31 December 2024, the results of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on the preparation and presentation of the consolidated financial statements applicable to credit institutions operating in Vietnam.

On behalf of the Board of Management



Phạm Quốc Thanh
General Director
Legal representative

Ho Chi Minh City, Vietnam
31 March 2025



INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF HO CHI MINH CITY DEVELOPMENT JOINT STOCK COMMERCIAL BANK

We have audited the accompanying consolidated financial statements of Ho Chi Minh City Development Joint Stock Commercial Bank ("the Bank") and its subsidiary which were prepared on 31 December 2024 and approved by the Board of Management of the Bank on 31 March 2025. The consolidated financial statements comprise the consolidated statement of financial position as at 31 December 2024, the consolidated income statement, the consolidated cash flow statement for the year then ended, and explanatory notes to the consolidated financial statements including significant accounting policies, as set out on pages 5 to 85.

The Board of Management's Responsibility

The Board of Management of the Bank is responsible for the preparation and the true and fair presentation of the consolidated financial statements of the Bank and its subsidiary in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on the preparation and presentation of consolidated financial statements applicable to credit institutions operating in Vietnam, and for such internal control which the Board of Management determines is necessary to enable the preparation and presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on the consolidated 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 standards and requirements and plan and perform the audit in order to obtain reasonable assurance as to whether the consolidated financial statements of the Bank and its subsidiary are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including an assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank and its subsidiary's preparation and true and fair presentation of the consolidated 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 Bank and its subsidiary'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 consolidated financial statements.

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

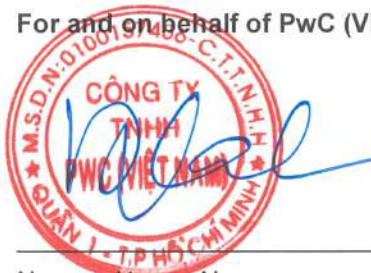
Auditor's Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Bank and its subsidiary as at 31 December 2024, the results of its consolidated financial performance and its consolidated cash flows for the year then ended, in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on the preparation and presentation of the consolidated financial statements applicable to credit institutions operating in Vietnam.

Other Matter

The independent auditor's report is prepared in Vietnamese and English. Should there be any conflict between the Vietnamese and English versions, the Vietnamese version shall take precedence.

For and on behalf of PwC (Vietnam) Limited



Nguyen Hoang Nam
Audit Practising Licence No.
0849-2023-006-1
Authorised signatory



Mai Tran Bao Anh
Audit Practising Licence No.
4166-2022-006-1

Report reference number: HCM16978
Ho Chi Minh City, 31 March 2025

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

		As at		
	Note	31.12.2024 VND million	31.12.2023 VND million	
A	ASSETS			
I	Cash on hand, gold, silver, precious metals	3	3,105,355	2,810,044
II	Balances with SBV	4	26,680,270	41,481,638
III	Placements with and loans to other credit institutions		101,600,254	96,514,863
1	Placements with other credit institutions	5.1	94,225,901	88,120,085
2	Loans to other credit institutions	5.2	7,374,353	8,394,778
IV	Trading securities		21,955,775	18,580,932
1	Trading securities	6.1	21,955,775	18,580,932
V	Derivatives financial instruments and other financial assets	7	-	110,079
VI	Loans to customers	8	436,606,237	339,349,838
1	Loans to customers		442,484,841	343,404,295
2	Provisions for losses on loans to customers		(5,878,604)	(4,054,457)
VIII	Investment securities		48,751,284	44,092,289
1	Available-for-sale investment securities	9.1	31,407,524	31,871,688
2	Held-to-maturity investment securities	9.2	17,436,610	12,304,873
3	Provisions for diminution in value of investment securities	9.6	(92,850)	(84,272)
IX	Investments in other entities and long-term investments	10	857,783	143,781
3	Investments in an associate		729,739	-
4	Other long-term investments		146,546	163,921
5	Provisions for diminution in value of long-term investments		(18,502)	(20,140)
X	Fixed assets		1,765,927	1,422,759
1	Tangible fixed assets	11.1	887,455	713,141
a	Historical cost		1,983,500	1,702,786
b	Accumulated depreciation		(1,096,045)	(989,645)
3	Intangible fixed assets	11.2	878,472	709,618
a	Historical cost		1,291,428	1,076,187
b	Accumulated amortisation		(412,956)	(366,569)
XII	Other assets		56,043,573	57,808,636
1	Other receivables	12.1	48,316,273	48,942,933
2	Interests and fees receivables	12.2	5,383,522	6,602,101
3	Deferred tax assets	31	155,916	76,708
4	Other assets	12.3	2,234,788	2,233,415
5	Provisions for losses on other assets		(46,926)	(46,521)
TOTAL ASSETS			697,366,458	602,314,859

The notes on pages 11 to 85 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

		As at		
	Note	31.12.2024 VND million	31.12.2023 VND million	
B	LIABILITIES AND EQUITY			
I	Borrowings from the Government and SBV	13	15,434	26,590
1	Deposits and borrowings from the Government and SBV		15,434	26,590
II	Placements and borrowings from other credit institutions		99,460,579	112,086,978
1	Placements from other credit institutions	14.1	74,877,046	62,597,686
2	Borrowings from other credit institutions	14.2	24,583,533	49,489,292
III	Deposits from customers	15	437,505,165	370,777,888
IV	Derivative financial instruments and other financial liabilities	7	18,449	-
V	Funds, entrusted investments and borrowings received that the Bank bears risks	16	2,788,443	2,811,129
VI	Valuable papers issued	17	81,349,744	50,938,148
VII	Other liabilities	18	19,571,383	19,273,804
1	Interests and fees payables	18.1	8,013,166	10,346,499
3	Other liabilities	18.2	11,558,217	8,927,305
	TOTAL LIABILITIES		640,709,197	555,914,537
VIII	Equity	19	56,657,261	46,400,322
1	Capital		35,224,020	29,198,918
a	Charter capital		35,101,423	29,076,321
b	Investment and construction capital		89	89
c	Shares premium		535,956	535,956
d	Treasury shares		(413,448)	(413,448)
2	Reserves		6,313,202	4,708,243
5	Retained earnings		12,953,881	10,561,698
6	Non-controlling interests		2,166,158	1,931,463
	TOTAL EQUITY		56,657,261	46,400,322
	TOTAL LIABILITIES AND EQUITY		697,366,458	602,314,859

The notes on pages 11 to 85 are an integral part of these consolidated financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

CONSOLIDATED OFF-STATEMENT OF FINANCIAL POSITION ITEMS

			As at	
		Note	31.12.2024 VND million	31.12.2023 VND million
1	Borrowing guarantees	36.1	808,743	809,436
2	Foreign exchange transactions commitments	36.1	199,138,079	259,213,350
	- <i>Buying foreign currency commitments</i>		6,816,847	4,293,490
	- <i>Selling foreign currency commitments</i>		8,977,349	4,542,374
	- <i>Swap commitments</i>		183,343,883	250,377,486
4	Letters of credit ("L/C") commitments	36.1	46,476,948	2,191,087
5	Other guarantees	36.1	24,924,802	15,548,620
6	Other commitments	36.1	12,364,361	5,318,378
7	Interests and fees receivables not yet collected	37.1	3,336,440	2,364,349
8	Bad debts written-off	37.2	20,134,777	15,584,338
9	Other assets and documents	37.3	47,589,161	27,061,445
			354,773,311	328,091,003



Ho Dang Hoang Quyen
Chief Accountant



Pham Van Dau
Chief Financial Officer



Pham Quoc Thanh
General Director
31 March 2025

CONSOLIDATED INCOME STATEMENT

		For the year ended 31 December		
			2024	2023
	Note		VND million	VND million
1	Interest and similar income	20	57,995,528	52,640,577
2	Interest and similar expenses	21	(27,138,452)	(30,456,603)
I	Net interest income		30,857,076	22,183,974
3	Fee and commission income	22	3,295,623	2,830,168
4	Fee and commission expenses	23	(1,879,045)	(642,366)
II	Net fee and commission income		1,416,578	2,187,802
III	Net gain from trading in foreign currencies	24	843,813	564,703
IV	Net gain from trading of trading securities	25	68,929	41,723
V	Net gain from trading of investment securities	26	68,253	1,167,005
5	Other income		869,862	541,644
6	Other expenses		(163,991)	(282,491)
VI	Net other income	27	705,871	259,153
VII	Income from investments in other entities	28	71,664	9,325
VIII	Operating expenses	29	(11,980,755)	(9,129,202)
IX	Operating profit before provisions for credit losses		22,051,429	17,284,483
X	Provisions for credit losses	30	(5,321,434)	(4,267,751)
XI	Profit before tax		16,729,995	13,016,732
7	Corporate income tax ("CIT") expenses - current	31	(3,561,555)	(2,724,629)
8	CIT income - deferred	31	79,208	43,910
XII	CIT expenses		(3,482,347)	(2,680,719)
XIII	Net profit after tax		13,247,648	10,336,013
Attributable to:				
Shareholders of the Bank			12,762,953	10,070,898
Non-controlling interests			484,695	265,115
XV	Basic earnings per share (VND/share)		23,671	2,899

Ho Dang Hoang Quyen
Chief Accountant

Pham Van Dau
Chief Financial Officer

Pham Quoc Thanh
General Director
31 March 2025

The notes on pages 11 to 85 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT
(Direct method)

		For the year ended 31 December	
		2024	2023
	Note	VND million	VND million
CASH FLOWS FROM OPERATING ACTIVITIES			
01		58,776,168	50,366,284
02		(29,501,519)	(25,602,661)
03		1,688,787	2,596,238
04			
		1,428,830	1,654,834
05		285,759	88,876
06		333,106	290,855
07		(10,962,548)	(8,980,790)
08	34	(4,466,688)	(2,241,447)
NET CASH INFLOWS FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES		17,581,895	18,172,189
Changes in operating assets			
09			
		1,020,425	415,052
10		5,473,554	(12,165,396)
11			
		110,079	(110,079)
12		(99,080,546)	(79,547,912)
13	8.8	(3,497,287)	(3,314,866)
14		137,731	(14,661,360)
Changes in operating liabilities			
15		(11,156)	(10,794,668)
16			
		(12,626,399)	19,433,778
17		66,727,277	154,980,714
18		30,411,596	6,776,508
19			
		(22,686)	(49,026)
20			
		18,449	(226,480)
21		2,517,620	1,778,906
22		(18,159)	(30,315)
I		8,742,393	80,657,045

The notes on pages 11 to 85 are an integral part of these consolidated financial statements.

CONSOLIDATED CASH FLOW STATEMENT (continued)
(Direct method)

		For the year ended 31 December	
		2024	2023
	Note	VND million	VND million
CASH FLOWS FROM INVESTING ACTIVITIES			
01	Purchases of fixed assets	(541,148)	(273,921)
02	Proceeds from disposals of fixed assets	1,764	753
07	Payments for investment in other entities	(658,075)	-
08	Proceeds from investment in other entities	17,375	-
09	Dividends and shared profits received from long-term investments	-	9,325
II	NET CASH OUTFLOWS FROM INVESTING ACTIVITIES	(1,180,084)	(263,843)
CASH FLOWS FROM FINANCING ACTIVITIES			
01	Proceeds from issuance of shares	19.1 200,000	-
04	Dividends paid to shareholders	19.1 (2,912,550)	(2,515,261)
III	NET CASH OUTFLOWS FROM FINANCING ACTIVITIES	(2,712,550)	(2,515,261)
IV	NET CASH INFLOWS FOR THE YEAR	4,849,759	77,877,941
V	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	132,411,767	54,533,826
VII	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	32 137,261,526	132,411,767



Ho Dang Hoang Quyen
Chief Accountant



Pham Van Dau
Chief Financial Officer



Pham Quoc Thanh
General Director
31 March 2025

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

1 GENERAL INFORMATION

Ho Chi Minh City Development Joint Stock Commercial Bank ("the Bank" or "HDBank") is a commercial joint stock bank registered in Vietnam pursuant to the initial Establishment and Operation licence No. 00019/NH-GP issued by SBV on 6 June 1992 and was replaced by the Licence No. 26/GP-NHNN dated 12 February 2020 for a period of 99 years from 6 June 1992. As at 31 December 2024, the Bank's charter capital was VND35,101,422,540,000 pursuant to Decision No. 2785/QĐ-NHNN dated 26 December 2024 issued by SBV.

The Bank is listed on Ho Chi Minh City Stock Exchange with stock trading code HDB.

The Bank obtained the Enterprise Registration Certificate No. 0300608092 dated 11 August 1992, which was issued by the Department of Planning and Investment of Ho Chi Minh City and commenced its operation from the date of the licence. The Bank obtained the latest 33rd amendment of the Enterprise Registration Certificate on 5 September 2023.

The principal activities of the Bank are to mobilise and receive short, medium and long-term deposits from organisations and individuals; to grant short, medium and long-term loans to organisations and individuals based on the nature and capabilities of the Bank's capital resources; to trade foreign currencies; to provide international trade finance services; to discount commercial notes, bonds and other valuable papers; to provide settlement services and to provide other banking services as authorised by SBV.

The Bank's Head Office is located at 25Bis Nguyen Thi Minh Khai Street, Ben Nghe Ward, District 1, Ho Chi Minh City. As at 31 December 2024, the Bank had 1 Head Office, 1 northern representative office, 1 representative office in Myanmar, 83 branches and 285 transaction offices (as at 31 December 2023: 1 Head Office, 1 northern representative office, 1 representative office in Myanmar, 79 branches and 273 transaction offices) in provinces and cities across Vietnam.

As at 31 December 2024, the Bank and its subsidiary had 18,533 employees (as at 31 December 2023: 17,345 employees).

As at 31 December 2024 the Bank had 1 subsidiary and 1 associate (as at 31 December 2023: the Bank had 1 subsidiary and none associate). Details are as follows:

	Nature of business	Place of incorporation and operation	31.12.2024		31.12.2023	
			Percentage of equity owned %	Percentage of voting rights %	Percentage of equity owned %	Percentage of voting rights %
Subsidiary						
HD Saison Finance Co., Ltd. ("HD SAISON")	Finance/ Banking	Ho Chi Minh City	50.00	50.00	50.00	50.00
Associate						
HD Securities Corporation ("HDS")	Securities	Ho Chi Minh City	29.99	29.99	-	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES****2.1 Basis of preparation of consolidated financial statements**

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System and regulations on the preparation and presentation of consolidated financial statements applicable to credit institutions operating in Vietnam. The consolidated financial statements have been prepared under the historical cost convention except for investments in an associate as presented in Note 2.4.

The accompanying consolidated financial statements are not intended to present the consolidated financial position, consolidated results of financial performance and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam. The accounting principles and practices utilised in Vietnam may differ from those generally accepted in countries and jurisdictions other than Vietnam.

The consolidated financial statements in Vietnamese are the official statutory financial statements of the Bank and its subsidiary. The consolidated financial statements in English have been translated from the Vietnamese version.

2.2 Fiscal year

The Bank and its subsidiary's fiscal year is from 1 January to 31 December.

2.3 Currency

The Bank and its subsidiary's accounting currency is Vietnamese Dong ("VND" or "Dong"). The consolidated financial statements are prepared in Vietnamese Dong and presented rounded to the nearest million ("VND million"). The Bank and its subsidiary determine its accounting currency in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and relevant current regulations applicable to credit institutions operating in Vietnam.

All transactions are recorded in original currencies. Transactions arising in foreign currencies are translated at exchange rates prevailing at the transaction dates. Monetary assets and liabilities denominated in foreign currencies at month end are translated at the exchange rate prevailing at the month end date. Foreign exchange differences arising from these translations are recognised in the foreign exchange differences item in the consolidated statement of financial position at month end and transferred to the consolidated income statement at year end.

2.4 Basis of consolidation**Subsidiary**

Subsidiary is an entity over which the Bank has the power to govern the financial and operating policies in order to gain future benefits from their activities generally accompanying a shareholding of more than one half of the voting rights. The existence and effect of potential voting rights that are currently exercisable or convertible are considered when assessing whether the Bank controls another entity. The subsidiary is fully consolidated from the date on which control is transferred to the Bank. It is de-consolidated from the date that control ceases.

Inter-company transactions, balances and unrealised gains and losses on transactions between the Bank and its subsidiary are eliminated.

The financial statements of the subsidiary are prepared for the same financial year and accounting policies of the subsidiary is consistent with the policies adopted by the Bank.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.4 Basis of consolidation (continued)****Non-controlling transactions and interests**

The Bank and its subsidiary apply a policy for transactions with non-controlling interests as transactions with external parties to the Bank and its subsidiary. Non-controlling interests ("NCI") are measured at their proportionate share of the acquiree's identifiable net assets at date of acquisition.

A divestment of the Bank's interest in a subsidiary that does not result in a loss of control is accounted for as a transaction with owners. The difference between the change in the Bank's share of net assets of the subsidiary and any consideration paid or received from divestment of the Bank's interest in the subsidiary is recorded directly in the retained earnings under equity.

In a divestment of the Bank's interest in a subsidiary that results in a loss of control, the difference between the Bank's share in the net assets of the subsidiary and the net proceeds from divestment is recognised in the consolidated income statement. The retained interest in the entity will be accounted for as either an investment in another entity or an investment to be accounted for as equity since the divestment date.

Associate

The Bank recognises an associate in accordance with Accounting Standard No. 07 "*Accounting for Investments in Associates*". Accordingly, an associate is a company in which the Bank has significant influence but not control over. Investment in an associate is accounted for using the equity method and is initially recognised at cost.

The Bank's share of the post-acquisition profits or losses of its associate is recognised in the consolidated income statement. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

Accounting policies of an associate have been changed where necessary to ensure consistency with the policies adopted by the Bank and its subsidiary.

2.5 Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Bank's share of the net identifiable assets of the acquired subsidiary at the date of acquisition. Goodwill on acquisitions of subsidiaries is recognised as an asset and is amortised on a straight-line basis over its estimated year of benefit but not exceeding a period of 10 years.

On disposal of the investments in subsidiary, the attributable amount of unamortised goodwill is included in the determination of the profit or loss on the disposal.

Goodwill is carried at cost less accumulated amortisation, and is periodically tested for impairment. If there is evidence that the impairment during the year is higher than the goodwill charge, the Bank records the impairment immediately in the year.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.6 Cash and cash equivalents

For the purpose of the consolidated cash flow statement, cash and cash equivalents comprise cash on hand, gold, balances with SBV, demand and term deposits at other credit institutions which have original terms within 3 months or less, and securities which have collection periods or original maturities within 3 months or less from purchase dates.

2.7 Placements with and loans to other credit institutions

Deposits with other credit institutions include demand deposits; deposits with original terms within 3 months or less at local credit institutions, foreign bank branches and deposits at foreign credit institutions. Loans to other credit institutions are loans with original terms of less than 1 year to other credit institutions.

Term deposits and loans to other credit institutions are stated at the amount of principal outstanding less specific provisions.

Before 1 July 2024, debt classification and credit risk provisioning for deposits and loans to other credit institutions were made in accordance with Circular No. 11/2021/TT-NHNN issued by SBV on 30 July 2021 regulating asset classification, provisioning levels, risk provisioning methods and the use of provisions to handle risks in the operations of credit institutions and foreign bank branches ("Circular 11"), being similar to those policies on loans to customers as presented in Note 2.8.

From 1 July 2024, for deposits and loans to other credit institutions, debt classification is made in accordance with Circular No. 31/2024/TT-NHNN issued by SBV on 30 June 2024 regulating the classification of assets in the operations of commercial banks, non-bank credit institutions, and foreign bank branches ("Circular 31") and provisioning shall be implemented in accordance with Decree No. 86/2024/NĐ-CP issued by the Government on 11 July 2024 regulating the level of provisioning, the method of provisioning for risk, the use of provisioning to handle risks in the operations of credit institutions, foreign bank branches, and cases in which credit institutions allocate forgivable interest ("Decree 86"); similar to the policy applied to loans to customers as presented in Note 2.8.

Pursuant to Decree 86, the Bank and its subsidiary do not make general provisions for the following items:

- (i) Deposits at credit institutions and foreign bank branches;
- (ii) Loans, purchases of valuable papers with credit term between credit institutions and foreign bank branches in Vietnam;
- (iii) Purchases of certificates of deposits, bonds issued domestically by other local credit institutions and foreign bank branches;
- (iv) Repurchases of Government bonds on securities market;
- (v) Other debts arising from activities between credit institutions and foreign bank branches in Vietnam as prescribed in Clause 2 Article 3 of Decree 86.

2.8 Loans to customers

2.8.1 Accounting for loans to customers

Measurement and recognition of loans to customers

Short-term loans are those with repayment terms within 1 year from disbursement date; medium-term loans are those with repayment terms over 1 to 5 years from disbursement date and long-term loans are those with repayment terms of more than 5 years from disbursement date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

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

According to the Law on Credit Institutions No. 32/2024/QH15 issued by the National Assembly on 18 January 2024 and Circular 21/2024/TT-NHNN issued by SBV on 28 June 2024 regulating letters of credit ("L/C") operations and other business activities relating to L/C, from 1 July 2024, L/C operation is defined as a form of credit granting through the issuance, confirmation, payment negotiation and repayment of L/C. The Bank has made appropriate accounting recognition in accordance with these regulations.

Classification of loans to customers

Before 1 July 2024, loans classification and provisions for credit losses were made in accordance with Circular 11.

From 1 July 2024, debt classification, including customer loans, debts arising from the issuance of L/C, payment negotiation of L/C, and repayment of L/C (collectively referred to as "debts"), was made in accordance with Circular 31; and provisioning for credit risks was made in accordance with Decree 86.

According to Circular 31, loans to customers are classified into five debt groups based on the repayment status and quantitative factors as follows:

Group 1: Current loans

- (i) Current loans assessed as fully and timely recoverable, both principals and interests; or
- (ii) Loans overdue less than 10 days and assessed as fully recoverable, both overdue principals and interests, and fully and timely recoverable, both remaining principals and interests; or
- (iii) Loans classified into group 1 as meeting criteria to be classified into groups with lower level of risk.

Group 2: Special-mentioned loans

- (i) Loans overdue up to 90 days, except those specified in point (ii) of Current loans and those classified into a group with higher level of risk as prescribed by regulations; or
- (ii) Loans are rescheduled for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed by regulations; or
- (iii) Loans classified into group 2 as meeting criteria to be classified into a group with lower level of risk or loans classified into a group with higher level of risk as prescribed by regulations.

Group 3: Sub-standard loans

- (i) Loans overdue between 91 days and 180 days, except those classified into a group with higher level of risk as prescribed by regulations; or
- (ii) Loans are extended for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and or loans classified into a group with higher level of risk as prescribed by regulations; or
- (iii) Loans are exempted or reduced interests because customers are not able to pay the interests according to credit contracts, except those classified into a group with higher level; or

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Classification of loans to customers (continued)

Group 3: Sub-standard loans (continued)

- (iv) Loans falling in one of these following cases that have not yet been collected within less than 30 days from the issuance date of debt collection decision:
 - Loans violating regulations specified in clauses 1, 3, 4, 5, 6 of Article 134 of Law on Credit Institutions No. 32/2024/QH15 (from 1 July 2024) or according to clauses 1, 3, 4, 5, 6 of Article 126 of Law on Credit Institutions No. 47/2010/QH12 (before 1 July 2024); or
 - Loans violating regulations specified in clauses 1, 2, 3, 4 of Article 135 of Law on credit institutions No. 32/2024/QH15 (from 1 July 2024) or according to clauses 1, 2, 3, 4 of Article 127 of Law on credit institutions No. 47/2010/QH12 (before 1 July 2024); or
 - Loans violating regulations specified in clauses 1, 2, 5, 9 of Article 136 of Law on credit institutions No. 32/2024/QH15 (from 1 July 2024) or according to clauses 1, 2, 5 of Article 128 of Law on credit institutions No. 47/2010/QH12 (before 1 July 2024).
- (v) Loans in the collection process under inspection conclusions; or
- (vi) Loans collected under premature debt collection decisions by the Bank and its subsidiary due to customers' breach of agreements without being collected within less than 30 days from the issuance date of debt collection decision; or
- (vii) Loans are classified into group 3 as meeting criteria to be classified into a group with lower level of risk or loans classified into a group with higher level of risk as prescribed by regulations; or
- (viii) Loans must be classified into group 3 according to requirements of SBV due to risk level of the loan based on the results of inspection, supervision, and relevant credit information.

Group 4: Doubtful loans

- (i) Loans overdue between 181 days to 360 days, except those classified into a group with higher level of risk as prescribed by regulations; or
- (ii) Loans are restructured for the first time and overdue less than 90 days according to the first restructured payment term, except those classified into a group with higher level of risk as prescribed by regulations; or
- (iii) Loans are restructured for the second time and undue, except those meeting criteria to be classified into a group with lower level of risk or classified into a group with higher level of risk as prescribed by regulations; or
- (iv) Loans are specified in point (iv) of Sub-standard loans remain uncollected for a period of 30 to 60 days from the issuance date of debt collection decision; or
- (v) Loans in the collection process under inspection conclusions but being overdue up to 60 days according to inspection conclusions; or
- (vi) Loans recovered under premature debt collection decisions of the Bank and its subsidiary due to customers violating the agreement which remain uncollected for a period of 30 to 60 days from the issuance date of debt collection decisions; or
- (vii) Loans that are classified into group 4 as meeting criteria to be classified into a group with lower level of risk or classified into a group with higher level of risk as prescribed by regulations; or
- (viii) Loans that are classified into group 4 according to requirements of SBV due to risk level of the loan based on the results of inspection, supervision, and relevant credit information.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Classification of loans to customers (continued)

Group 5: Loss loans

- (i) Loans overdue more than 360 days; or
- (ii) Loans are restructured for the first time and overdue from 91 days according to the first restructured terms of repayments; or
- (iii) Loans are restructured for the second time and overdue according to the second restructured terms of repayments; or
- (iv) Loans are restructured for the third time or more, except those meeting criteria to be classified into a group with lower level of risk; or
- (v) Loans specified in point (iv) of Sub-standard loans which remain uncollected for more than 60 days from the issuance date of collection decision; or
- (vi) Loans in the collection process under inspection conclusions but being overdue for more than 60 days according to inspection conclusions; or
- (vii) Loans recovered under premature debt collection decisions of the Bank and its subsidiary due to customers violating the agreement which remain uncollected for more than 60 days from the issuance date of debt collection decision; or
- (viii) Loans to other credit institutions announced under special control status, or to foreign bank's branches of which capital and assets are blockaded; or
- (ix) Loans that are classified into group 5 as meeting criteria to be classified into a group with higher level of risk as prescribed by regulations; or
- (x) Loans that are classified into group 5 according to requirements of SBV due to risk level of the loan based on the results of inspection, supervision, and relevant credit information.

Loans shall be classified in a group with lower level of risk (including Group 1) in these following cases:

Overdue loans

- Customers fully paid overdue principal and interest (including interest on overdue principals) and principals, interest of following payment schedules (if any) for at least 3 (three) months in respect of medium and long-term loans and 1 (one) month in respect of short-term loans since the date overdue principals and interest are fully repaid; and
- The Bank and its subsidiary have sufficient basis of information and documents to assess and conclude that customers are capable of fully repaying principals and interest in a timely manner.

Restructured loans

- Customers fully paid principal and interest under restructuring (if any), for at least 3 (three) months in respect of medium and long-term loans and 1 (one) month in respect of short-term loans, since the date principal and interest under restructuring are fully paid; or from the commence date of full repayment of such principal and interest in cases where the repayment schedules for principal and interest are congruent;
- The Bank and its subsidiary have sufficient basis of information and documents to assess and conclude that customers are capable of fully repaying principals and interest in a timely manner.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.8 Loans to customers (continued)****2.8.1 Accounting for loans to customers (continued)**

Loans shall be classified in a group with higher level of risk in these following cases:

- Norms on profitability, solvency, ratio of debts to capital, cash flows leading to capability of customers to repay debts deteriorating continuously for 3 consecutive times of assessment or loan classification; or
- Customers fail to supply fully, timely and truly financial information at the request of the Bank and its subsidiary to assess debt repayment capability of customers; or
- Loans which are classified in Group 2, Group 3, Group 4 for 1 (one) year or longer but not qualified to classify in a group with lower level of risk; or
- Loans whose credit extension is administratively sanctioned.

Non-performing loans are loans classified into Group 3, 4 and 5.

The Bank and its subsidiary are required to use the results of loan classification as provided by the Credit Information Center of the SBV ("CIC") to classify its loans to customers into a group with higher level of risk between the group assessed by the Bank and its subsidiary and the group provided by the CIC.

When a customer owes more than one loan to the Bank, and has any loan classified into a group with higher level of risk, the Bank classifies the remaining loans of such customer into the loan group with highest level of risk.

When the Bank and its subsidiary participate in a syndicated loan, the Bank and its subsidiary reclassify all loans (including the outstanding syndicated loan) of the customer into the group with the highest level of risk as determined by the lenders.

Classification of payments for off-balance sheet commitments

Payments under off-balance sheet commitments are amounts that the Bank and its subsidiary settled on behalf of customers when customers who are guaranteed by the Bank and its subsidiary are not able to settle the amount when it falls due.

According to Circular 31, off-balance sheet commitments are classified as follows:

Group 3: Sub-standard - If overdue for less than 30 days.

Group 4: Doubtful - If overdue from 30 days and less than 90 days;

Group 5: Loss - If overdue for 90 days or more.

If the payment under off-balance sheet commitment is classified in a group with lower level of risk than a group in which the off-balance sheet commitment is classified, the Bank and its subsidiary must reclassify the payment into the same group of the off-balance sheet commitment.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Provisions for losses on loans to customers

Provisions for losses on loans to customers include specific provisions and general provisions.

Specific provisions

Specific provisions for losses on loans to customers are calculated using set rates applied to each loan group as follows:

	Provisions rate
Group 1 - Current loans	0%
Group 2 - Special-mentioned loans	5%
Group 3 - Sub-standard loans	20%
Group 4 - Doubtful loans	50%
Group 5 - Loss loans	100%

Specific provisions are calculated based on customer's loan balances on the last working day of each month less the discounted value of collateral assets.

According to Decree 86, the maximum discount rate for each type of collateral asset is determined as follows:

Types of collateral assets	Maximum discounted ratio
(i) Deposits, certificates of deposits ("CD") in VND at the Bank	100%
(ii) Government bonds, gold billets in accordance with laws and regulations on gold trading activities; deposits, CDs in foreign currencies at the Bank	95%
(iii) Municipal bonds, Government-guaranteed bonds; transferable instruments, bonds issued by the Bank; deposits, CDs, issued by other credit institutions, foreign branches:	
▪ With a remaining term of less than 1 year	95%
▪ With a remaining term of from 1 year to 5 years	85%
▪ With a remaining term of over 5 years	80%
(iv) Securities issued by other credit institutions and listed on Stock Exchanges	70%
(v) Securities issued by enterprises (except credit institutions) and listed on Stock Exchanges	65%
(vi) Unlisted securities, valuable papers, except for types of securities specified in (iii) of this Clause, issued by listed credit institutions;	50%
Unlisted securities, valuable papers, except for types of securities specified in (iii) of this Clause, issued by unlisted credit institutions.	30%
(vii) Unlisted securities, valuable papers issued by listed enterprises;	30%
Unlisted securities, valuable papers issued by unlisted enterprises.	10%
(viii) Real estates	50%
(ix) Others	30%

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.1 Accounting for loans to customers (continued)

Provisions for losses on loans to customers (continued)

Specific provisions (continued)

Collateral assets are movable properties, real estates and collaterals other than gold billets, Government bonds listed on Stock Exchanges, securities issued by enterprises or other credit institutions with a value above VND50 billion for loans to customers who are related parties of the Bank and its subsidiary and other entities as prescribed in Article 135 of the Law on Credit Institutions 2024 and collateral assets with a value for deduction above VND200 billion must be valued by external valuers. For other cases, collateral assets are valued according to the Bank and its subsidiary's internal regulations and procedures.

Any collateral asset that does not fully satisfy the conditions specified in Article 4, Clause 4, Clause 5 of Decree 86 (before 11 July 2024: apply Article 12, Clause 3 of Circular 11) shall have its value considered as zero.

General provisions

According to Decree 86, the amount of general provision required at the end of the financial year is determined by 0.75% of the total outstanding balance of debts classified from group 1 to group 4 at the end of the financial year, except for balances as stated in Note 2.5.

Written-off bad debts

Bad debts could be written-off using provisions in the following cases:

- Customer is an organisation, which is dissolved, goes bankrupt as prescribed by laws or an individual who dies or is missing; or
- Debts which are classified in Group 5.

For at least 5 (five) years, after using provisions against credit risks and after all measures for debt recovery of the Bank and its subsidiary's Credit Committee have been implemented but debts are still irrevocable, the Bank and its subsidiary shall be entitled to release the unsettled debts from the off-balance sheet in accordance with the approval of the Bank and its subsidiary's Credit Committee.

2.8.2 Loan restructuring, exemption or reduction of interest, fees and retention of loan group to assist customers affected by the Covid-19 pandemic

From 17 May 2021, loan restructuring, exemption or reduction of interest, fees and retention of loan group to assist customers affected by the Covid-19 pandemic were carried out in accordance with Circular 03/2021/TT-NHNN ("Circular 03/2021") effective from 17 May 2021 and Circular 14/2021/TT-NHNN ("Circular 14/2021") effective from 7 September 2021.

As at 31 December 2023, the Bank and its subsidiary made 100% of additional specific provisions required to be made for customers whose outstanding loan balances were restructured in accordance with Circular 03/2021.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.3 Restructuring loan repayment terms and retention of loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans

From 24 April 2023, restructuring loan repayment terms, including the principal and/or interest, to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans is carried out in accordance with Circular 02/2023/TT-NHNN ("Circular 02/2023") issued by the SBV on 23 April 2023, upon the customers' requests and the Bank and its subsidiary's financial capabilities.

On 18 June 2024, SBV issued Circular 06/2024/TT-NHNN ("Circular 06/2024") on amending and supplementing Circular 02/2023, extending the implementation time of policies at Circular 02/2023 until 31 December 2024.

According to Circular 02/2023 and Circular 06/2024, the Bank and its subsidiary restructure repayment terms of outstanding principals and/or interest of loans to customers satisfying all of these following conditions:

- Being a loan with principal arisen before 24 April 2023 from lending and finance leases;
- The obligation of principal repayment and/or interest repayment arises during the period from 24 April 2023 to 31 December 2024;
- The loan to be rescheduled is undue or has been overdue up to 10 days from the due date of payment schedule according to contract or agreement;
- The Bank and its subsidiary determine that customers are unable to repay principal and/or interest on schedule under loan agreement due to decreasing revenue or income compared to revenue or income as specified in the repayment of principal and/or interest plan under contract or agreement;
- Customers apply for loan restructuring and the Bank and its subsidiary determine that customers are able to fully repay principal and/or pay interest under the restructured schedules;
- Loan violates laws and regulations shall not be restructured by the Bank and its subsidiary;
- The restructured term (including loan extension) is decided in conformity with the degree of difficulty of each customer and is not permitted to exceed 12 months from the original maturity date of the respective rescheduled amount;
- Loan restructuring under Circular 02/2023 and Circular 06/2024 is carried out from 24 April 2023 to 31 December 2024.

Details of loan classification and loan group retention:

The Bank and its subsidiary retain loan group for the loan whose principal and/or interest are restructured ("restructured loan") at the latest classification before the loan was restructured.

- For restructured loans that are undue during the restructured period, the Bank and its subsidiary do not apply to adjust, reclassify into a group with higher level of risk as prescribed in Circular 31 (from 1 July 2024) and Circular 11 (before 1 July 2024);
- For restructured loans that are overdue during the restructured period and the Bank and its subsidiary do not continue to apply loan restructuring as prescribed in Circular 02/2023 and Circular 06/2024, the Bank and its subsidiary shall classify those restructured loans in accordance with Circular 31 (from 1 July 2024) and Circular 11 (before 1 July 2024).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 Loans to customers (continued)

2.8.3 Restructuring loan repayment terms and retention of loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans (continued)

For the interest receivables on loans that are being restructured according to Circular 02/2023 and Circular 06/2024, the Bank and its subsidiary do not record income (accrued interest) and recognises them as off-statement of financial position to for following up and urge collection. Interest income is recorded in the consolidated income statement upon receipts.

2.8.4 Provisions for losses on loans to customers whose principals and/or interests are restructured in accordance with Circular 02/2023 and Circular 06/2024

From 24 April 2023, the Bank and its subsidiary make provisions for losses on loans to customers whose loans are restructured as prescribed by Circular 02/2023 and Circular 06/2024 as follows:

Additional specific provisions shall be determined as follows:

$$\text{Additional specific provisions} = A - B$$

Whereas:

- A: Specific provisions made for all outstanding loans of customers according to loan classifications regulated by Circular 31 (prior to 1 July 2024, according to Circular 11).
- B: Specific provisions made for all outstanding loans of customers according to loan classifications regulated by Circular 02/2023 and Circular 06/2024.

If the aforementioned additional specific provision is positive, the Bank and its subsidiary make additional specific provisions for credit losses as follows:

- By 31.12.2023: At least 50% of additional specific provisions;
- By 31.12.2024: 100% of additional specific provisions.

The Bank and its subsidiary make general provisioning for the entire outstanding balance of customers based on the loan classification results determined according to Circular 31 (prior to 1 July 2024: according to Circular 11).

2.8.5 Debt selling activities

According to the guidance of Circular 09/2015/TT-NHNN, the treatment of the difference between the selling price and the book price for the debt is as follows:

For debts currently recorded on the on-statement of financial position:

- If the selling price exceeds the book value of the debt, the difference is recognised as other income within the fiscal year.
- If the selling price is lower than the value of the debt, the difference is recorded as an expense of the Bank in the fiscal year, after being offset by compensation from parties, insurance from the designated insurance organisation, and, if applicable, the financial risk reserve fund.

For debts that have been removed from the consolidated financial statements and are being monitored off-statement of financial position, the proceeds from debt sales are recorded as other income of the Bank.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.9 Off-balance sheet commitments

Off-balance sheet commitments comprise guarantees, settlement acceptances and irrevocable credit commitments.

From 1 July 2024, the classifications of off-balance sheet commitments are made in accordance with Circular 31 as follows:

Group 1: Undue commitments, as assessed by the Bank and its subsidiary, which could be fully settled when due.

Group 2: Undue commitments, as assessed by the Bank and its subsidiary, which could not be fully settled when they fall due.

A commitment is classified into Group 3 or a group of higher risk: Commitments meet any of the specified conditions and remains uncollected for a period less than 30 days from the issuance date of the Bank and its subsidiary's collection decision:

- Commitments violating the provisions in Clauses 1, 3, 4, 5, 6, Article 134 of the Law on Credit Institutions No. 32/2024/QH15 (before 1 July 2024: applied according to Clauses 1, 3, 4, 5, 6 Article 126 of the Law on Credit Institutions No. 47/2010/QH12 and according to Circular 11); or
- Commitments violating the provisions in Clauses 1, 2, 3, 4, Article 135 of the Law on Credit Institutions No. 32/2024/QH15 (before 1 July 2024: applied according to Clauses 1, 2, 3, 4, Article 127 Law on Credit Institutions No. 47/2010/QH12 and according to Circular 11); or
- Commitments that violate the provisions of Clauses 1, 2, 5, 9, Article 136 of the Law on Credit Institutions No. 32/2024/QH15 (before 1 July 2024: applied according to Clauses 1, 2, 5, Article 128 of the Law on Credit Institutions No. 47/2010/QH12 and according to Circular 11).

Provisions for off-balance sheet commitments

According to Decree 86 (from 11 July 2024) and Circular 11 (before 1 July 2024), the classification of off-balance sheet commitments is conducted solely for risk management, credit quality supervision. Therefore, provisions are not made for off-balance sheet commitments.

2.10 Investments in securities

The Bank classified investments in securities into categories in accordance with Letter 2601/NHNN-TCKT dated 14 April 2009 issued by SBV: (i) trading securities, (ii) held-to-maturity investment securities and (iii) available-for-sale investment securities. The Bank is required to classify their securities at the purchase date.

2.10.1 Trading securities

Classification and recognition

Trading securities include debt securities or equity securities which are acquired and are held for trading primarily for the purpose of selling in short-term, not exceeding one year to earn short-term profits.

Trading securities are recognised at the time the Bank becomes a party to the purchase contracts of these trading securities, details are as follows:

- Listed securities are recorded at the time of orders matching;
- Unlisted securities are recognised at the time when official ownership is established in accordance with regulations.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 Investments in securities (continued)****2.10.1 Trading securities (continued)***Measurement*

Trading securities which are certificates of deposits or unlisted bonds are recognised at costs less provisions for credit losses. The classification of debts and provisioning for these securities are similar to those for "Loans to customers" as presented in Note 2.8. According to Decree 86 (from 11 July 2024) and Circular 11 (before 1 July 2024), the Bank do not make general provisions for certificates of deposits and bonds issued by local credit institutions.

Other trading securities are initially recognised at their carrying value less provisions for diminution in value. Provisions for diminution in value are made when the market value of these trading securities is lower than their book value.

- For listed equity securities: the market price of equity securities is the closing price on the most recent trading day up to the end of the fiscal year.
- For listed debt securities: the market price of debt securities is the most recent trading price at the Stock Exchange within 10 days up to the end of the fiscal year.

The Bank does not make provisions for Government bonds, municipal bonds and Government-guaranteed bonds.

The difference between the provision made at the end of the current financial year and the provision made at the end of the previous financial year is recognised in the consolidated income statement during the year. Provisions for trading securities as mentioned above are reverted when the recoverable amount of trading securities increases after the provisions are made as results of objective events. A reversal of provisions, if any, is made only to the extent original costs of trading securities.

Gains or losses from sales of trading securities are recognised in the consolidated income statement as "*Net gain from trading of trading securities*". Cost is determined by the specific identification method.

Interests received from trading securities during holding periods are recognised in the consolidated income statement upon receipts.

Derecognition

Trading securities are derecognised when the rights to receive cash flows from these securities are terminated or the Bank transfer substantially all the risks and rewards from ownerships of these securities.

2.10.2 Available-for-sale investment securities*Classification and recognition*

Available-for-sale investment securities include debt and equity securities, which are intended to be held for investing purposes and may be sold at any time if deemed advantageous.

Available-for-sale investment securities are recognised when the Bank becomes a party to the purchase contracts of these securities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.10 Investments in securities (continued)****2.10.2 Available-for-sale investment securities (continued)***Measurement*

Available-for-sale investment securities which are certificates of deposits or unlisted bonds are recorded at costs less provisions for credit losses.

Other available-for-sale investment securities are stated at their carrying value less provisions for diminution in value. Provisions for diminution in value of available-for-sale investment securities is made when the carrying value is higher than the market price.

The provision for credit losses and provision for diminution in value of available-for-sale investment securities are made similar to the principles applied to trading securities as presented in Note 2.10.1.

Available-for-sale debt securities are recognised at par value at purchased date. Accrued interest receivables before purchased date (for debt securities with interest payments in arrears) or deferred interest awaiting for allocation (for debt securities with interest payments in advance) is recognised in a separate account. Discount/premium, which is the negative/positive difference between the cost and the amount of par value plus (+) accrued interest receivables before the purchased date (if any) or minus (-) deferred interest awaiting for allocation (if any) is also recognised in a separate account.

In subsequent holding periods, these debt securities are recognised at par value, and the discount/premium (if any) are amortised to the consolidated income statement on a straight-line basis over the remaining terms of these debt securities.

Cumulative interest before purchased date is recognised as a decrease in the accrued interest receivables account upon receipt. Accrued interest incurred after purchased date is recognised as income of the Bank based on an accrual basis. Interest received in advance is amortised into interest income from investment securities based on a straight-line basis over the terms of investment securities.

Gains or losses from sales of available-for-sale investment securities are recognised in the consolidated income statement as "*Net gain from trading of investment securities*". Cost is determined by the specific identification method.

Derecognition

Available-for-sale investment securities are derecognised when the rights to receive cash flows from these securities are terminated or the Bank transfers substantially all the risks and rewards of ownerships of these securities

2.10.3 Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities that the Bank purchases with investing purpose to earn interests and the Bank has capabilities and intentions to hold these investment securities until maturities. According to Official Letter No. 2601/NHNN-TCKT issued by SBV on 14 April 2009, the Bank is allowed to reclassify maximum onetime after purchasing for held-to-maturity investment securities.

Held-to-maturity debt investment securities are recognised and measured similarly as available-for-sale debt investment securities as presented in Note 2.10.2.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 Other long-term investments

Other long-term investments are investments of equal or less than 11% of the voting rights in the equity of unlisted entities, and the investments are held not for sale for 12 months or more from the consolidated statement of financial position date. These investments are initially accounted at cost of acquisition.

Subsequently, these other long-term investments are recognised at costs less provisions. Regarding investments whose fair value can be determined reliably, the provision for diminution in value is made when the cost is higher than market value. For other investments, provision for diminution in value is made when the investees make losses.

The difference between the provision made at the end of the current financial year and the provision made at the end of the previous financial year is recognised in operating expenses during the year. A reversal, if any, is made only to the extent the investment is restored to its original cost.

2.12 Fixed assets

Tangible and intangible fixed assets

Fixed assets are stated at historical cost less accumulated depreciation or amortisation. Historical cost includes expenditure that is directly attributable to the acquisition of the fixed assets and bringing them to their suitable conditions for their intended use. Expenditure which is incurred subsequently and has resulted in an increase in the future economic benefits expected obtained from the use of fixed assets, can be capitalised as an additional historical cost. Otherwise, such expenditure is recognised as operating expense when incurred during the year.

Depreciation and amortisation

Fixed assets are depreciated and amortised using the straight-line basis so as to write off the depreciable amounts over their estimated useful lives. The estimated useful lives of each asset class are as follows:

Buildings, structures	5 - 50 years
Machinery	7 - 14 years
Motor vehicles	6 - 10 years
Office equipment	3 - 10 years
Software	3 - 8 years
Others	4 - 10 years
Definite land use rights	6 - 49 years

Land use rights comprise land use rights granted by the State for which land use fees are collected, land use rights acquired through a legitimate transfer, and prepaid land use rights obtained under land rental contracts effective before the effective date of Land Laws 2003 (which is 1 July 2004), and land use right certificates are granted.

Definite land use rights are stated at costs less accumulated amortisation. Costs of land use rights consist of purchased prices and any directly attributable costs in obtaining the land use rights. Land use rights are amortised using the straight-line basis over the terms of the land use right certificates.

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

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.12 Fixed assets (continued)***Disposals*

Gains or losses on disposals are determined by comparing net disposal proceeds with carrying amount of fixed assets and are recognised as income or expenses in the consolidated income statement.

Construction in progress

Construction in progress represents the cost of assets in the course of installation or construction for business, rental or administrative purposes; or for purposes not yet determined, which are recognised at cost and are comprised of such necessary costs to construct, repair and maintain, upgrade, renew or equip the projects with technologies as construction costs; costs of tools and equipment; project management expenditure and construction consulting costs. Depreciation of these assets, on the same basis as other fixed assets, commences when they are ready for their intended uses.

2.13 Other receivables

Receivables, other than receivables from credit activities of the Bank and its subsidiary, are recognised at costs. Subsequently, other receivables are recognised at costs less provisions for doubtful debts.

Provisions for doubtful debts are made for each outstanding amount based on overdue days in payment according to the initial payment commitment or based on the estimated loss that may arise. Provision expense is recognised as “*Operating expenses*” in the consolidated income statement during the year.

2.14 Prepaid expenses

Prepaid expenses represent prepayments for services; or tools that do not meet the recognition criteria for fixed assets for a period or a business cycle from the date of prepayment. Prepaid expenses are recorded at historical cost and allocated on a straight-line basis over their estimated useful lives.

2.15 Deposits from other credit institutions, deposits from customers and valuable papers issued

Deposits from other credit institutions, deposits from customers and valuable papers issued are recorded at their principal balances at the end of financial year. At the time of initial recognition, the issuance costs of valuable papers issued are recorded as a reduction in the principal balance of valuable papers issued. Subsequently, the Bank allocates these costs to the item “*Interest and similar expenses*” on a straight-line basis over the term of valuable papers issued.

2.16 Funds, entrusted investments and borrowings received that the Bank bears risks

The Bank receives funds, entrusted investments and borrowings from the Governments and local organisations to use according to assigning purposes. The Bank is responsible for repayment of the amount when they fall due. Funds, entrusted investments and borrowings received are recognised as a liability in the consolidated statement of financial position.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.17 Convertible bonds**

Convertible bonds are bonds that may be converted into the common shares of the Bank under the conditions identified in the bond issuance scheme.

Upon initial recognition, the Bank calculates and determines separately the value of the debt component and equity component of convertible bonds using the effective interest rate method. The debt component of convertible bonds is recorded as a liability; the equity component (share options) of convertible bonds is recorded as an owner's equity item. Subsequently, the Bank periodically records bond interest using the effective interest rate. The costs of issuing bonds are deducted from the bond's liability component and allocated to financial expenses on a straight-line basis. At maturity, equity components which are share options are transferred to the share premium account regardless whether the bond holder exercised the option or not.

Bonds that may be converted into a number of undetermined shares at maturity are accounted for as straight bonds.

2.18 Accrued expenses

Accrued expenses include liabilities for goods and services received in the year but not yet paid for, due to pending invoices or insufficient records and documents. Accrued expenses are recorded as expenses in the year.

2.19 Derivatives

Derivatives are recognised in the consolidated statement of financial position at contract value on the contract date and subsequently are revalued at the rate of exchange prevailing at the month end. Realised gains or losses are recognised in the consolidated income statement. Unrealised gains or losses are recognised in the foreign exchange differences item in the consolidated statement of financial position and are transferred to the consolidated income statement at year end.

2.20 Sales and repurchase agreements

Securities sold with a commitment to repurchase at a specified future date are still recognised in the consolidated financial statements. The proceeds received under this agreement are recognised as a borrowing in the consolidated statement of financial position and the difference between the sale price and the purchase price is amortised on a straight-line basis using the contractual interest rate to the consolidated income statement over the life of the agreement.

Securities purchased with a commitment to resell at a specified future date are not recognised in the consolidated financial statements. The cash payment under this agreement is recognised as a loan in the consolidated statement of financial position and the difference between the purchase price and the sale price is amortised on a straight-line basis using the contractual interest rate to the consolidated income statement over the life of the agreement.

2.21 Operating leases

Leases where a significant portion of the risks and rewards of ownerships are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the consolidated income statement on a straight-line basis over the terms of the leases.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.22 Provisions**

Provisions are recognised when the Bank and its subsidiary have a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount has been reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the level of the expenditures expected to be required to settle the obligation. If the time value of money is material, provisions will be measured at the present value using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provisions due to passage of time is recognised as a financial expense. Changes in the provision balances during the year are recognised in operating expenses.

2.23 Owners' capital

Owners' capital is recorded according to the actual amounts contributed by shareholders at par value of shares.

Share premium is the difference between the par value and the issue price of shares and the difference between the repurchase price and re-issuing price of treasury shares.

Other owners' capital represents other capital held by the shareholders at the reporting date.

Treasury shares including:

- Treasury shares bought before the effective date of the Law on Securities (1 January 2021) are shares issued by the Bank and bought back by the Bank itself, but these securities are not cancelled yet and may be re-issued in the future in accordance with securities laws and regulations. The amount received will be recorded as an increase in equity, and any surplus or deficit from these transactions will be recorded in the share premium account.
- Treasury shares, which are repurchased after the effective date of the Law on Securities (1 January 2021), are cancelled and adjusted to reduce in the Bank's charter capital.

Retained earnings record the Bank and its subsidiary's results (profits) after CIT at the reporting date.

2.24 Statutory reserves*Supplement charter capital reserve*

Before 1 July 2024, according to Law on Credit Institutions No. 47/2010/QH12 issued by the National Assembly on 16 June 2010, effective until 30 June 2024 and Decree No. 93/2017/ND-CP issued by the Government on 7 August 2017, the Bank and its subsidiary make appropriation of 5% of profit after tax to supplement charter capital reserve until it reaches the maximum balance of the Bank and its subsidiary's charter capital.

Since 1 July 2024, according to the Law on Credit Institutions No. 32/2024/QH15 issued by the National Assembly on 18 January 2024, the Bank and its subsidiary make appropriation of 10% of profit after tax to supplement charter capital reserve until it reaches the maximum balance of the Bank and its subsidiary's charter capital.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.24 Statutory reserves (continued)***Financial reserve*

According to Law on Credit Institutions No. 47/2010/QH12 issued by the National Assembly on 16 June 2010 and Decree No. 93/2017/ND-CP, the Bank and its subsidiary make appropriation of 10% of profit after tax to financial reserve.

The purpose of financial reserve is to offset residual asset losses and damage occurring in the course of business after such losses have been offset with compensation paid by organisations, individuals who caused them, indemnity paid by insurers and with the allowance set up and accounted for in expenses, and shall be used for other purposes in accordance with the laws.

These statutory reserves are not allowed to be distributed and are recognised as part of equity.

2.25 Appropriation of profit

The Bank and its subsidiary's dividends are recognised as a liability in the Bank's consolidated financial statements during the year in which the dividends are approved by the General Meeting of Shareholders.

Profit after CIT could be distributed to shareholders after approval at the General Meeting of Shareholders, and after appropriation to other funds in accordance with the Bank and its subsidiary's charter and Vietnamese regulations.

Other reserves including in equity are appropriated from profit after tax. The appropriation from profit after tax and the utilisations of other reserves must be approved by the resolution of the General Meeting of Shareholders. These reserves are not regulated by laws and are allowed to be fully distributed.

The bonus and welfare fund is appropriated from the Bank and its subsidiary's profit after tax after approval by the General Meeting of Shareholders and is presented as a liability on the consolidated statement of financial position. The Bank and its subsidiary uses the fund in accordance with purposes as specified in accordance with Decree 93.

2.26 Earnings per share

The Bank presents basic and diluted earnings per share (EPS) for its ordinary shares. Basic EPS is calculated by dividing the net profit attributable to the ordinary shareholders of the Bank, after deducting the bonus and welfare fund made during the year, by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.27 Income and expenses recognition***Interest income*

Interest income is recognised in the consolidated income statement on an accrual basis, over time, and at effective interest rate for each year when two conditions are simultaneously satisfied: (i) it is probable that the economic benefits associated with the transaction will flow to the Bank and its subsidiary; and (ii) the amount of interest income can be measured reliably. Accrued interest income is derecognised and recognised into off-balance sheet items when a loan is not classified as Current loan or is subject to the application of Circular 03/2021, Circular 14/2021 as described in Note 2.8.2, or the application of Circular 02/2023 and Circular 06/2024 as described in Note 2.8.3. Interest income from these loans is recognised in the consolidated income statement upon receipts.

Other income from credit activities

Other income from credit activities primarily comprises fees such as loan withdrawal commitment fees, standby credit limit fees, early repayment fees, and other fees associated with credit activities, which is recognised when the completion of the work as per the agreed-upon work under the contract/agreement can be reliably determined at the date of preparation of the consolidated financial statements.

Fee and commission income

Fee and commission income includes fee received from insurance agency services, bonds services, settlement services, treasury services and other services, which are recognised on an accrual basis in the consolidated income statement, by reference to completion of the specific transaction assessed on the basis of actual service provided as a proportion of total services to be provided. Fee and commission income is only recognised when all four (4) of the following conditions are satisfied:

- The amount of income can be measured reliably;
- It is probable that the economic benefits associated with the transaction will flow to the Bank and its subsidiary;
- The percentage of completion of the transaction at the consolidated statement of financial position date can be measured reliably; and
- The costs incurred for the transaction and the costs to complete the transaction can be measured reliably.

Income from investing activities

Gains or losses from securities trading are determined based on the difference between the selling price and the cost of such securities.

Dividend income

Cash dividend income is recognised when the Bank establishes the right to receive dividend from investees and when it is probable that economic benefits associated with the transaction will flow to the Bank and income can be measured reliably. Stock dividends and bonus shares received are not recognised as income of the Bank, but only the number of shares is updated.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.27 Income and expenses recognition (continued)***Other income*

Other income is recognised on an accrual basis, by reference to completion level of services.

According to Circular 16/2018/TT-BTC dated 7 February 2018 issued by the Ministry of Finance, receivables which have been accounted as income but then are assessed as uncollectible or can not be collected by due date, the Bank and its subsidiary shall revert such income if it is in the same financial year, or recognise as an expense if it is not in the same financial year and monitor these receivables in off-balance sheet items for subsequent collection. The Bank and its subsidiary shall recognise these receivables as income in the consolidated income statement upon receipt.

Interest expenses

Interest expenses are recognised in the consolidated income statement on an accrual basis.

2.28 Current and deferred income tax

Income tax includes all income tax which is based on taxable profits. Income tax expense comprises of current income tax expense and deferred income tax expense.

Current income tax is the amount of income tax payable or recoverable in respect of the current year taxable profits at the current year tax rates. Current and deferred income tax are recognised as an income or an expense and included in the consolidated income statement of the year, except to the extent that the income tax arises from a transaction or event which is recognised, in the same or a different year, directly in equity.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of occurrence affects neither the accounting nor the taxable profit or loss. Deferred income tax is determined at the tax rates that are expected to apply to the year when the asset is realised or the liability is settled, based on tax rates that have been enacted or substantively enacted by the consolidated statement of financial position date.

Deferred income tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****2 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)****2.29 Related parties**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Bank and its subsidiary, including holding companies, subsidiaries, associates and fellow subsidiaries are related parties of the Bank and its subsidiary. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Bank and its subsidiary that gives them significant influence over the Bank and its subsidiary, key management personnel, including members of the Bank's Board of Directors, Board of Supervisors, Board of Management, and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering its relationships with each related party, the Bank and its subsidiary consider the substance of the relationships, and not merely the legal form.

2.30 Segment reporting

A segment is component which can be separated by the Bank and its subsidiary engaged either in providing related products or rendering of services (business segment), or in providing products or rendering of services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments. The Board of Management of the Bank has determined that the business's risk and profitability are primarily influenced by the fact that the Bank and its subsidiary operate in various geographical areas. As a result, the primary segment reporting of the Bank and its subsidiary's is presented in respect of the Bank and its subsidiary's geographical segments.

2.31 Critical accounting estimates

The preparation of consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System and regulations on preparation and presentation of consolidated financial statements applicable to credit institutions operating in Vietnam requires the Board of Management to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of income and expenses during the financial year.

The areas involving significant estimates and assumptions are as follows:

- Loan classifications and provisions for losses on loans to customers (Note 2.8).

Such estimates and assumptions are continually evaluated. They are based on historical experiences and other factors, including expectations of future events that may have a financial impact on the Bank and its subsidiary and that are assessed by the Board of Management to be reasonable under the circumstances.

2.32 Items which have no balance

Items or balances required by Decision 16/2007/QĐ-NHNN dated 18 April 2007 and Circular 49/2014/TT-NHNN dated 31 December 2014 stipulating the financial reporting mechanism for credit institutions issued by SBV that are not shown in these consolidated financial statements indicate nil balances.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

3 CASH ON HAND, GOLD, SILVER AND PRECIOUS METALS

	31.12.2024 VND million	31.12.2023 VND million
Cash on hand in VND	2,264,414	1,956,741
Cash on hand in foreign currencies	829,081	829,669
Monetary golds	11,860	23,634
	<u>3,105,355</u>	<u>2,810,044</u>

4 BALANCES WITH SBV

	31.12.2024 VND million	31.12.2023 VND million
In VND	25,099,301	38,391,317
In foreign currencies	1,580,969	3,090,321
	<u>26,680,270</u>	<u>41,481,638</u>

Balances with SBV comprise of compulsory reserves and current accounts.

Under SBV's regulations relating to compulsory reserve, the Bank and its subsidiary are permitted to maintain a floating balance within the month for the compulsory reserve requirement ("CRR"). The monthly average balance of the reserve must not be less than CRR rates multiplying with the preceding month's average balances of each type of deposit in scope.

CRR rates required on preceding month's average deposit balances:

	31.12.2024 %	31.12.2023 %
<i>For deposits from customers:</i>		
- Demand deposits and deposits with term less than 12 months in VND	3.00	3.00
- Deposits with term of 12 months and above in VND	1.00	1.00
- Demand deposits and deposits with term less than 12 months in foreign currencies	8.00	8.00
- Deposits with term of 12 months and above in foreign currencies	6.00	6.00
<i>For deposits from overseas credit institutions:</i>		
- Deposits in foreign currencies	<u>1.00</u>	<u>1.00</u>

Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Within the compulsory reserve requirement in VND	0.50	0.50
Within the compulsory reserve requirement in foreign currencies	0.00	0.00
Exceed the compulsory reserve requirement in VND	0.00	0.00
Exceed the compulsory reserve requirement in foreign currencies	<u>0.00</u>	<u>0.00</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

5 PLACEMENTS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

5.1 Placements with other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits		
- In VND	9,245,384	16,994,192
- In foreign currencies	12,510,877	18,127,183
	<u>21,756,261</u>	<u>35,121,375</u>
Term deposits		
- In VND	68,910,000	48,800,000
- In foreign currencies	3,559,640	4,198,710
	<u>72,469,640</u>	<u>52,998,710</u>
	<u>94,225,901</u>	<u>88,120,085</u>

5.2 Loans to other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Refinancing UPAS L/C loans (*)		
- In VND	1,157,667	8,394,778
Loans to other credit institutions		
- In VND	6,216,686	-
<i>In which: Discounting, rediscounting</i>	4,216,686	-
	<u>7,374,353</u>	<u>8,394,778</u>

(*) Refinancing UPAS L/C loans (usance payable at sight letter of credit) is a form of financing funds as per requests from other credit institutions to finance for foreign import settlements or payments for local goods and services whose payment method is either import UPAS L/C or domestic UPAS L/C. The Bank acts as the reimbursing bank/financing bank to release payments to the beneficiary of L/C as per requests from the issuing bank. The issuing bank is responsible to repay principals, interests and fees (if any) to the Bank at the end of the refinancing terms with agreed refinancing interest rates and fees.

5.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Term deposits in VND	3.80 - 7.50	0.70 - 4.50
Term deposits in foreign currencies	4.40 - 5.00	5.00 - 5.50
Refinancing UPAS L/C loans in VND	7.80 - 10.00	7.80 - 9.68
Loans to other credit institutions in VND	4.25 - 6.00	Not applicable

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

5 PLACEMENTS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS (continued)

5.4 Analysis of quality of term deposits with and loans to other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current (<i>excluding demand deposits</i>)	79,843,993	61,393,488

6 TRADING SECURITIES

6.1 Debt securities

	31.12.2024 VND million	31.12.2023 VND million
Government bonds	778,827	-
Bonds and certificates of deposits issued by other local credit institutions	21,176,948	18,580,932
	<u>21,955,775</u>	<u>18,580,932</u>

6.2 Analysis of listing status of trading securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Listed	778,827	-
Unlisted	21,176,948	18,580,932
	<u>21,955,775</u>	<u>18,580,932</u>

6.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Government bonds	2.10 - 7.40	Not applicable
Bonds and certificates of deposits issued by other local credit institutions in VND	5.10 - 7.00	4.00 - 10.30

6.4 Analysis of quality of trading securities classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Group 1 - Current (<i>excluding Government bonds</i>)	<u>21,176,948</u>	<u>18,580,932</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

7 DERIVATIVES AND OTHER FINANCIAL ASSETS/LIABILITIES

	Total contract value (at foreign exchange rate at the contract date) VND million	Total book value (at foreign exchange rate at reporting date)	
		Assets VND million	Liabilities VND million
As at 31.12.2024			
Foreign currency derivatives			
- Currency forward contracts	3,420,583	-	3,182
- Currency swap contracts	91,090,987	-	11,467
Other derivatives			
- Cross currency swap contracts	977,800	-	3,800
	<u>95,489,370</u>	<u>-</u>	<u>18,449</u>
Net amount			<u>18,449</u>
As at 31.12.2023			
Foreign currency derivatives			
- Currency forward contracts	5,400,768	12,816	-
- Currency swap contracts	114,288,732	95,893	-
Other derivatives			
- Cross currency swap contracts	972,630	1,370	-
	<u>120,662,130</u>	<u>110,079</u>	<u>-</u>
Net amount		<u>110,079</u>	

8 LOANS TO CUSTOMERS

8.1 By types of loans

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
Loans to local economic organisations and individuals	423,085,075	335,070,515
Overdrafts and credit cards	5,233,030	5,460,246
Loans from funds, trusted investments	2,713,908	2,673,694
Discounting commercial notes and valuable papers	248,071	197,563
Payments on behalf of customers	25,835	2,277
Loans to oversea economic organisations and individuals	150	-
	<u>431,306,069</u>	<u>343,404,295</u>
Issuance of deferred L/C arising before 1.7.2024 (*)	<u>11,178,772</u>	<u>-</u>
	<u>442,484,841</u>	<u>343,404,295</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8 LOANS TO CUSTOMERS (continued)

8.1 By types of loans (continued)

(*) This refers to the balance arising from deferred payment L/C with at sight or pre-maturity payment terms, issued prior to the effective date of the Law on Credit Institutions 2024 No. 32/2024/QH15 and Circular 21/2024/TT-NHNN. These balances have been reclassified by the Bank from the "Other Assets" category to the "Loans to customers" category.

8.2 By types of customers

	31.12.2024	31.12.2023
	VND million	VND million
Loans to customers		
Household businesses and individuals	159,619,463	149,935,604
Limited liability companies	155,438,528	105,980,794
Joint stock companies	109,598,655	81,177,458
Foreign invested enterprises	3,844,723	3,402,200
State-owned enterprises	2,725,717	2,802,782
Co-operatives and inter-cooperatives	47,555	50,808
Private enterprises	1,000	2,139
Others	30,428	52,510
	<u>431,306,069</u>	<u>343,404,295</u>
Issuance of deferred L/C arising before 1.7.2024		
Joint stock companies	6,363,484	-
Limited liability companies	4,815,288	-
	<u>11,178,772</u>	<u>-</u>
	<u>442,484,841</u>	<u>343,404,295</u>

8.3 By loan groups

	31.12.2024	31.12.2023
	VND million	VND million
Loans to customers		
Group 1 - Current (*)	401,834,768	319,238,925
Group 2 - Special-mentioned (*)	20,915,070	18,005,407
Group 3 - Sub-standard	4,199,973	2,610,402
Group 4 - Doubtful	1,967,085	1,907,723
Group 5 - Loss	2,389,173	1,641,838
	<u>431,306,069</u>	<u>343,404,295</u>
Issuance of deferred L/C arising before 1.7.2024		
Group 1 - Current	11,178,772	-
	<u>442,484,841</u>	<u>343,404,295</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

8 LOANS TO CUSTOMERS (continued)

8.3 By loan groups (continued)

(*) As at 31 December 2024, included in current and special-mentioned loan balance was VND45,177 million (as at 31 December 2023: VND1,806,396 million) of drawdowns which were subject to the applications of Circular 02/2023 and Circular 06/2024; of which VND7,244 million (as at 31 December 2023: VND1,676,240 million) was restructured repayment terms and retained loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans in accordance with Circular 02/2023 and Circular 06/2024. As at 31 December 2024, the Bank and its subsidiary recognised VND686 million of accrued interest income of these drawdowns in off-balance sheet items (as at 31 December 2023: VND46,627 million).

8.4 By term

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
Short-term	227,158,574	183,332,216
Medium-term	138,247,896	93,389,645
Long-term	65,899,599	66,682,434
	<u>431,306,069</u>	<u>343,404,295</u>
 Issuance of deferred L/C arising before 1.7.2024		
Short-term	11,178,772	-
	<u>442,484,841</u>	<u>343,404,295</u>

8.5 By currency

	31.12.2024 VND million	31.12.2023 VND million
Loans to customers		
In VND	418,599,063	333,518,834
In foreign currencies	12,707,006	9,885,461
	<u>431,306,069</u>	<u>343,404,295</u>
 Issuance of deferred L/C arising before 1.7.2024		
In VND	4,915,109	-
In foreign currencies	6,263,663	-
	<u>11,178,772</u>	<u>-</u>
	<u>442,484,841</u>	<u>343,404,295</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8 LOANS TO CUSTOMERS (continued)

8.6 By business sector of customers

Classification of loans to customers according to the main business sector on the Enterprise Registration certificates of customers are as follows:

	31.12.2024 VND million	31.12.2023 VND million (*)
Loans to customers		
Activities of households as employers, producing goods and services of households for owned uses	159,619,463	149,935,623
Real estates trading activities	68,291,984	58,248,505
Wholesales and retails; repair of cars, motor vehicles, and other vehicles	68,168,362	44,478,894
Constructions	42,189,961	24,523,050
Financial services and insurance	30,706,538	12,772,640
Manufacturing and processing	18,627,260	11,447,303
Accommodation and food service activities	9,570,183	3,813,877
Transportation, warehouses	7,705,745	5,313,622
Electricity, gas, steam and air conditioning manufacturing and distributions	7,052,267	9,966,904
Agriculture, forestry and aquaculture	2,996,341	5,643,253
Others	16,377,965	17,260,624
	<u>431,306,069</u>	<u>343,404,295</u>
Issuance of deferred L/C arising before 1.7.2024		
Wholesales and retails; repair of cars, motor vehicles, and other vehicles	6,252,692	-
Real estates trading activities	2,860,998	-
Manufacturing and processing	977,614	-
Constructions	414,344	-
Others	673,124	-
	<u>11,178,772</u>	<u>-</u>
	<u>442,484,841</u>	<u>343,404,295</u>

(*) The balances as at 31 December 2023 have been reclassified to confront with this year's presentation.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

8 LOANS TO CUSTOMERS (continued)

8.7 Annual interest rates applied for these balances as at:

	31.12.2024	31.12.2023
	%	%
Loans in VND		
- Short-term	0.00 - 69.30	0.00 - 79.02
- Medium-term	3.50 - 69.30	3.50 - 70.00
- Long-term	3.50 - 25.00	3.50 - 25.00
Loans in foreign currencies		
- Short-term	4.60 - 8.13	5.00 - 8.70
- Long-term	7.63 - 9.52	6.68 - 10.52
Issuance of deferred L/C arising before 1.7.2024		
- Short-term in VND	6.40 - 10.08	Not applicable
- Short-term in foreign currencies	1.70 - 7.06	Not applicable

8.8 Provisions for losses on loans to customers

	General provisions VND million	Specific provisions (*) VND million	Total VND million
As at 1 January 2023	1,970,361	1,131,211	3,101,572
Charge for the year (Note 30)	592,855	3,674,896	4,267,751
Utilisation of provisions to write-off loans during the year	-	(3,314,866)	(3,314,866)
As at 31 December 2023	2,563,216	1,491,241	4,054,457
Charge for the year – loans to customers (Note 30)	653,657	4,583,936	5,237,593
Charge for the year - issuance of deferred L/C arising before 1.7.2024 (Note 30)	83,841	-	83,841
Utilisation of provisions to write-off loans during the year	-	(3,497,287)	(3,497,287)
As at 31 December 2024	3,300,714	2,577,890	5,878,604

(*) Included in the specific provisions balance of the Bank and its subsidiary as at 31 December 2024 was VND507 million (as at 31 December 2023: VND11,014 million) additional provisions for loans to customers whose loans were restructured the repayment terms and retained loan group to assist customers facing difficulties in doing business and customers facing difficulties in repaying their consumer loans in accordance with Circular 02/2023 and Circular 06/2024.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 INVESTMENT SECURITIES

9.1 Available-for-sale investment securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Government bonds	18,783,841	13,040,960
Bonds and certificates of deposits issued by other local credit institutions	6,771,743	10,190,526
Bonds issued by local economic organisations (*)	5,625,005	8,354,980
	<u>31,180,589</u>	<u>31,586,466</u>
Equity securities		
Equity securities issued by local economic organisation	226,935	285,222
	<u>31,407,524</u>	<u>31,871,688</u>
Provisions for available-for-sale investment securities		
General provisions for unlisted corporate bonds	(41,850)	(62,662)
Specific provisions for unlisted corporate bonds	(45,000)	(9,000)
	<u>31,320,674</u>	<u>31,800,026</u>

(*) Bonds issued by several economic organisations are secured by land use rights, real estate projects, shares and deposits opened at the Bank as collaterals.

9.2 Held-to-maturity investment securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities		
Government bonds	3,386,590	4,285,409
Treasury bills issued by SBV	13,250,000	-
Bonds issued by local economic organisations	800,020	1,681,266
Bonds and certificates of deposits issued by other local credit institutions	-	6,338,198
	<u>17,436,610</u>	<u>12,304,873</u>
Provisions for held-to-maturity investment securities		
General provisions for unlisted corporate bonds	(6,000)	(12,610)
	<u>17,430,610</u>	<u>12,292,263</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 INVESTMENT SECURITIES (continued)

9.3 Analysis of listing status of investment securities

	31.12.2024 VND million	31.12.2023 VND million
Debt securities (*)		
Listed	22,170,431	17,326,369
Unlisted	26,446,768	26,564,970
	<u>48,617,199</u>	<u>43,891,339</u>
Equity securities		
Listed	226,935	285,222
	<u>48,844,134</u>	<u>44,176,561</u>

(*) As at 31 December 2024 and as at 31 December 2023, several Government bonds were being pledged to borrow funds and to be granted for transaction limits with SBV or to conduct discounting and rediscounting transactions (Note 35.2).

9.4 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Government bonds in VND	1.10 - 8.80	1.10 - 8.80
Treasury bills issued by SBV in VND	4.00	Not applicable
Bonds and certificates of deposits issued by other local credit institutions in VND	5.10 - 6.28	4.20 - 10.00
Bonds issued by local economic corporations in VND	8.90 - 13.10	8.90 - 14.00

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

9 INVESTMENT SECURITIES (continued)

9.5 Analysis of quality of investment securities classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Group 1 – Current (<i>exclude Government bonds and treasury bills issued by SBV</i>)	13,151,768	24,034,975
Group 2 - Special mentioned	-	2,484,995
Group 3 - Sub-standard	-	45,000
Group 5 - Loss	45,000	-
	<u>13,196,768</u>	<u>26,564,970</u>

9.6 Provisions for losses on investment securities

	General provisions VND million	Specific provisions VND million	Total VND million
As at 1 January 2023	30,004	-	30,004
Charge for the year (Note 26)	45,268	9,000	54,268
As at 31 December 2023	75,272	9,000	84,272
(Reversal)/charge for the year (Note 26)	(27,422)	36,000	8,578
As at 31 December 2024	<u>47,850</u>	<u>45,000</u>	<u>92,850</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

10 LONG-TERM INVESTMENTS

10.1 By types of investments

	31.12.2024 VND million	31.12.2023 VND million
Investment in associate	729,739	-
Other long-term investments (*)	146,546	163,921
Less:		
Provisions for diminution in value of long-term investments	(18,502)	(20,140)
	<u>857,783</u>	<u>143,781</u>

(*) Other long-term investments are investments in unlisted local economic organisations.

10.2 Investment in associate

Name	31.12.2024			31.12.2023		
	Cost VND million	Book value (*) VND million	Ownership (%)	Cost VND million	Book value (*) VND million	Ownership (%)
HD Securities Corporation ("HDS") (i)	658,075	729,739	29.99	-	-	-

- (i) According to Resolution No. 34/2024/NQ-HĐQT dated 6 June 2024, the Board of Directors of HDS approved the result of a private share offering of 43,842,571 shares to the strategic shareholder, Ho Chi Minh City Development Joint Stock Commercial Bank, at a price of VND15,000 per share, with a three-year transfer restriction period. The State Securities Commission acknowledged in Official Letter No. 3721/UBCK-QLKD dated 12 June 2024, that all necessary documents regarding the result of HDS's private share offering had been received, and HDS officially became an associate of the Bank.

(*) Movements of the investment in an associate during the year were as follows:

	2024 VND million	2023 VND million
As at 1 January	-	-
Increased investment in an associate during the year	658,075	-
The Bank's share of the profits of its associate	71,664	-
As at 31 December	<u>729,739</u>	<u>-</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

11 FIXED ASSETS

11.1 Tangible fixed assets

	Buildings, structures VND million	Machinery VND million	Motor vehicles VND million	Office equipment VND million	Others VND million	Total VND million
Historical cost						
As at 1 January 2024	511,622	366,248	426,796	377,505	20,615	1,702,786
New purchases	82,684	127,173	54,510	42,577	8,973	315,917
Disposals	(527)	(24,132)	(3,734)	(6,276)	(80)	(34,749)
Others	-	-	-	(454)	-	(454)
As at 31 December 2024	593,779	469,289	477,572	413,352	29,508	1,983,500
Accumulated depreciation						
As at 1 January 2024	158,733	207,824	280,975	328,737	13,376	989,645
Charge for the year	21,859	41,561	48,889	25,770	2,665	140,744
Disposals	(527)	(24,132)	(3,173)	(5,978)	(80)	(33,890)
Others	-	-	-	(454)	-	(454)
As at 31 December 2024	180,065	225,253	326,691	348,075	15,961	1,096,045
Net book value						
As at 1 January 2024	352,889	158,424	145,821	48,768	7,239	713,141
As at 31 December 2024	413,714	244,036	150,881	65,277	13,547	887,455

As at 31 December 2024, the Bank and its subsidiary's historical cost of tangible fixed assets that were fully depreciated but still in use was VND643,809 million (as at 31 December 2023: VND579,835 million).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

11 FIXED ASSETS (continued)

11.2 Intangible fixed assets

	Definite land use rights VND million	Indefinite land use rights VND million	Software VND million	Others VND million	Total VND million
Historical cost					
As at 1 January 2024	109,626	531,404	427,194	7,963	1,076,187
New purchases	6,312	80,359	138,560	-	225,231
Disposals	-	-	(3,524)	(6,098)	(9,622)
Others	-	-	497	(865)	(368)
As at 31 December 2024	115,938	611,763	562,727	1,000	1,291,428
Accumulated amortisation					
As at 1 January 2024	14,372	-	347,029	5,168	366,569
Charge for the year	2,134	-	51,676	574	54,384
Disposals	-	-	(3,049)	(4,578)	(7,627)
Others	-	-	443	(813)	(370)
As at 31 December 2024	16,506	-	396,099	351	412,956
Net book value					
As at 1 January 2024	95,254	531,404	80,165	2,795	709,618
As at 31 December 2024	99,432	611,763	166,628	649	878,472

As at 31 December 2024, the Bank and its subsidiary's historical cost of intangible fixed assets that were fully amortised but still in use was VND328,891 million (as at 31 December 2023: VND322,809 million).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12 OTHER ASSETS

12.1 Other receivables

	31.12.2024 VND million	31.12.2023 VND million
Negotiation under L/C without recourse issued by the Bank (i)	33,641,885	-
Negotiation under L/C without recourse issued by other credit institutions (ii)	3,610,437	-
Receivables from card organisations	5,652,930	5,232,530
Construction in progress, advances for purchases of fixed assets (iii)	2,400,710	2,369,330
Advances for saving deposits with upfront interest payments (iv)	1,981,418	897,326
Receivables from disposals of fixed assets (v)	205,000	410,000
Advances for operating activities	147,382	34,594
Deposits for office rentals, tools and equipment	104,716	90,135
Advances for collateral handling costs	93,442	65,892
Commission receivables from agency	61,440	74,449
Receivables from UPAS L/C (vi)	-	25,621,589
Receivables from deferred L/C (vii)	-	12,230,410
Deposits for purchases of certificates of deposits	-	1,000,000
Receivables from selling equity securities	-	351,646
Others	416,913	565,032
	48,316,273	48,942,933

- (i) This refers to a transaction where the Bank purchases and receives the documents under L/C issued by the Bank itself, which has not yet been paid, from the customer (the beneficiary of the documents). The Bank will receive the payment from the customer (the L/C applicant) on the maturity date, and it does not have recourse to the beneficiary of the documents if the Bank does not receive full payment from the L/C applicant.

Details of negotiation under L/C without recourse issued by the Bank are as follows:

	31.12.2024 VND million	31.12.2023 VND million
By types of customers		
Limited liability companies	22,520,708	-
Joint stock companies	11,121,177	-
	33,641,885	-
	31.12.2024 VND million	31.12.2023 VND million
By currency		
In VND	22,982,969	-
In foreign currencies	10,658,916	-
	33,641,885	-

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12 OTHER ASSETS (continued)

12.1 Other receivables (continued)

- (i) Details of negotiation under L/C without recourse issued by the Bank are as follows (continued):

	31.12.2024 VND million	31.12.2023 VND million
By business sector of customers		
Wholesales and retails; repair of cars, motor vehicles, and other vehicles	16,701,248	-
Real estates trading	5,435,369	-
Constructions	3,438,672	-
Financial services and insurance	2,556,500	-
Manufacturing and processing	636,127	-
Others	4,873,969	-
	<u>33,641,885</u>	<u>-</u>

Annual fee rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Receivables in VND		
- Short-term	0.24 - 9.73	Not applicable
Receivables in foreign currencies		
- Short-term	<u>2.00 - 6.64</u>	<u>Not applicable</u>

- (ii) This refers to a transaction where the Bank purchases and receives the documents under L/C issued before the maturity date and which has not yet been paid, from the customer (the beneficiary of the documents). The Bank will receive the payment from the issuing bank or the confirming bank on the maturity date, and it does not have recourse to the customer (the beneficiary of the documents) if the Bank does not receive full payment from the issuing bank or the confirming bank.

- (iii) Details of construction in progress, advances for purchasing fixed assets are as follows:

	31.12.2024 VND million	31.12.2023 VND million
Houses and head office	1,995,980	2,069,934
<i>In which: Construction project at Ho Chi Minh City</i>		
<i>Hi-Tech Park</i>	1,492,886	1,485,490
Software	246,020	134,439
Repair and maintenance expenses	70,127	57,329
Purchases of other fixed assets	88,583	107,628
	<u>2,400,710</u>	<u>2,369,330</u>

- (iv) Saving deposit with upfront interest payment is a product where customers receive interest upfront at the time they make deposits. These products are eligible for individuals and economic organisations who are currently living and operating legally in Vietnam.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

12 OTHER ASSETS (continued)

12.1 Other receivables (continued)

- (v) Receivables related to the transfers of assets to several economic organisations, which are expected to be settled within 7 years at an interest rate of 7% per annum and due on 28 June 2025. Deferred principals and interests are paid annually.
- (vi) Receivables from UPAS L/C are receivables from the Bank's customers for the services of financing from other credit institutions as payables at sight to beneficiaries for deferred sets of documents under Letter of credit issued by the Bank. Subsequently, the Bank shall collect principal and fee from customers and repay to the reimbursing bank on the due date of sets of documents.
- (vii) Receivables from deferred L/C services represent receivables from the Bank's customers arising from financing transactions wherein the Bank facilitates early payments to the beneficiary based on the Bank's acceptance of payment and the beneficiary's request for early payment. Subsequently, upon the maturity date of the payment documents, the Bank shall collect the principal and fees from the customer.

12.2 Interests and fees receivables

	31.12.2024	31.12.2023
	VND million	VND million
Interest receivables from credit activities	3,754,327	3,613,888
Fees receivables from UPAS L/C and deferred L/C	592,308	975,307
Interest receivables from investment securities	521,369	1,118,124
Fees receivables from negotiation under L/C without recourse	259,889	-
Interest receivables from deposits	121,651	16,786
Other interests and fees receivables	133,978	877,996
	<u>5,383,522</u>	<u>6,602,101</u>

12.3 Other assets

	31.12.2024	31.12.2023
	VND million	VND million
Prepaid expenses awaiting for allocations (i)	1,849,528	1,791,630
Collateral assets awaiting for resolutions (ii)	229,044	290,642
Tools, equipment	152,766	147,693
Other assets	3,450	3,450
	<u>2,234,788</u>	<u>2,233,415</u>

- (i) Prepaid expenses mainly comprised of commission payable to agencies and sales staff, tools, equipment and supplies, prepayments for services, rental expenses, transmission line rental, repair and maintenance expenses.
- (ii) These are collaterals pledged to settle for obligations of guarantors, which have been transferred ownerships to the Bank and are awaiting for resolutions. The Bank already obtained all legal documents proving ownership rights from these assets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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12 OTHER ASSETS (continued)

12.4 Analysis of quality of other assets classified as credit-risk bearing assets

	31.12.2024 VND million	31.12.2023 VND million
Current	50,813,634	52,500,121
Loss	47,437	46,799
	<u>50,861,071</u>	<u>52,546,920</u>

13 BORROWINGS FROM THE GOVERNMENT AND THE SBV

	31.12.2024 VND million	31.12.2023 VND million
Deposits from the State Treasury	1	2,104
Other borrowings		
- <i>Japan Bank of International Cooperation (i)</i>	8,377	19,749
- <i>Small and Medium Enterprise Development Fund</i>	7,056	4,737
	<u>15,434</u>	<u>26,590</u>

(i) These borrowings were made under phase II and III of the credit financing for small and medium enterprises project, funded by Japan Bank of International Cooperation (JBIC) through SBV.

14 PLACEMENTS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

14.1 Placements from other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits		
- In VND	3,862,541	9,002,298
- In foreign currencies	7,555	3,883
	<u>3,870,096</u>	<u>9,006,181</u>
Term deposits		
- In VND	69,100,000	50,400,000
- In foreign currencies	1,906,950	3,191,505
	<u>71,006,950</u>	<u>53,591,505</u>
	<u>74,877,046</u>	<u>62,597,686</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

14 PLACEMENTS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS (continued)

14.2 Borrowings from other credit institutions

	31.12.2024 VND million	31.12.2023 VND million
Payables related to UPAS L/C		
- In VND	1,373,932	13,628,051
- In foreign currencies	9,650,163	21,828,724
	<u>11,024,095</u>	<u>35,456,775</u>
Borrowings from other credit institutions		
- In VND	2,950,000	3,932,440
<i>In which: Discounting and rediscounting borrowings</i>	-	1,825,440
- In foreign currencies	10,609,438	10,100,077
	<u>13,559,438</u>	<u>14,032,517</u>
	<u>24,583,533</u>	<u>49,489,292</u>

14.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Term deposits in VND	3.50 - 6.10	0.60 - 3.70
Term deposits in foreign currencies	4.30 - 4.45	5.00 - 5.60
Payables related to UPAS L/C in VND	5.64 - 8.08	3.42 - 11.06
Payables related to UPAS L/C in foreign currencies	0.85 - 6.35	0.98 - 7.09
Borrowings in VND	6.00 - 7.00	0.30 - 10.15
Borrowings in foreign currencies	1.55 - 7.20	1.55 - 8.10

15 DEPOSITS FROM CUSTOMERS

15.1 By types of deposits

	31.12.2024 VND million	31.12.2023 VND million
Demand deposits		
- In VND	48,661,736	38,233,609
- In foreign currencies	2,640,817	2,009,167
Term deposits		
- In VND	65,693,290	70,300,227
- In foreign currencies	10,933	-
Saving deposits		
- In VND	318,365,813	258,924,614
- In foreign currencies	1,147,098	435,606
Marginal deposits		
- In VND	549,742	731,607
- In foreign currencies	12,208	46,352
Specialised fund deposits		
- In VND	364,447	62,897
- In foreign currencies	59,081	33,809
	<u>437,505,165</u>	<u>370,777,888</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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15 DEPOSITS FROM CUSTOMERS (continued)

15.2 By types of customers, businesses

	31.12.2024 VND million	31.12.2023 VND million
Individuals	332,943,590	272,059,759
Joint stock companies	49,905,050	39,271,602
Limited liability companies	31,805,535	30,084,669
State-owned enterprises	9,088,249	13,581,547
Foreign invested enterprises	4,979,624	6,153,571
Business and administrative units, Party, union and association	4,549,652	3,862,861
Co-operatives and inter-cooperatives	822,981	3,794,797
Others	3,410,484	1,969,082
	<u>437,505,165</u>	<u>370,777,888</u>

15.3 Annual interest rates applied for these balances as at:

	31.12.2024 %	31.12.2023 %
Demand deposits in VND	0.00 - 0.50	0.00 - 0.50
Demand deposits in foreign currencies	0.00 - 0.20	0.00 - 0.20
Term deposits, savings deposits in VND	0.10 - 9.50	0.10 - 11.90
Term deposits, savings deposits in foreign currencies	0.00 - 1.80	0.00 - 1.90
Marginal deposits in VND	0.10 - 6.35	0.10 - 9.50
Marginal deposits in foreign currencies	0.00 - 0.20	0.00 - 0.20
Specialised funds deposits in VND	0.10 - 0.50	0.10 - 0.50
Specialised funds deposits in foreign currencies	0.00 - 0.10	0.00 - 0.10

16 FUNDS, ENTRUSTED INVESTMENTS AND BORROWINGS RECEIVED THAT THE BANK BEARS RISKS

	31.12.2024 VND million	31.12.2023 VND million
Funds, entrusted investments and borrowings denominated in foreign currencies		
- Funds received for the program to support the development of reforming policies for power sector - Phase III (*)	2,736,762	2,753,542
- Funds received for the construction of Nhon Trach water supply system project - Phase II	50,991	56,839
- Funds received from the Rural Development Fund	690	748
	<u>2,788,443</u>	<u>2,811,129</u>

(*) The borrowing amounting to USD128 million was funded by World Bank through the Ministry of Finance to finance for the program to support the development of reforming policies for power sector – Phase III, for a period of 29 years from 4 August 2015 to 4 August 2043. From 1 January 2022, the borrowing bears interest rate of SOFR plus a spread adjusted periodically.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

17 VALUABLE PAPERS ISSUED

	31.12.2024 VND million	31.12.2023 VND million
Certificates of deposits in VND		
- Less than 1 year	11,705,000	15,352,000
- From 1 year to less than 5 years	12,756,000	2,619,000
- Above 5 years	80,000	157,000
Straight bonds in VND		
- From 1 year to less than 5 years	16,550,000	9,800,000
- Above 5 years	32,031,000	15,152,063
Convertible bonds in USD (i)		
- Above 5 years	8,263,450	7,887,750
Valuable papers issuing expenses	(35,706)	(29,665)
	<u>81,349,744</u>	<u>50,938,148</u>

(i) Details of convertible bonds are as follows:

The Bank issued 3 batches of convertible bonds to foreign investors with total value of USD325 million at par value of USD100,000 per each convertible bond. These convertible bonds were issued privately to foreign investors with a term of 5 years 1 day, bearing interest rate of 4.5% per annum, interest is paid annually, principal is paid at maturity date if they are not converted, details are as follows:

Date of issuance	Number of issued bonds (Quantities)	Par value (USD)	Expected conversion price (VND/share)	Conversion time
4.11.2020	300	30,000,000	41,800	Bondholders may convert (in whole, but not in part) into shares of the Bank at any time after 12 months and 1 day and no later than 59 months from the issuance date of bonds.
24.12.2020	1,300	130,000,000	41,800	
29.12.2021	1,650	165,000,000	43,061	Bondholders have the right to convert all or part into shares of the Bank at any time after 12 months and no later than 59 months from the issuance date of bonds.

Expected conversion price may be adjusted for future dilution events according to the agreement.

The Bank classified these convertible bonds entirely as liabilities because they were issued in United States Dollars (a currency different from the Bank's functional currency, which is Vietnamese Dong).

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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17 VALUABLE PAPERS ISSUED (continued)

Annual interest rates applied for the valuable papers issued by the Bank and its subsidiary are as follows:

	31.12.2024	31.12.2023
	%	%
Certificates of deposits less than 1 year in VND	3.90 - 7.00	4.80 - 13.50
Certificates of deposits from 1 year to less than 5 years in VND	4.70 - 6.50	7.30 - 15.00
Certificates of deposits above 5 years in VND	11.00 - 14.00	11.00 - 14.00
Bonds from 1 year to less than 5 years in VND	4.20 - 5.70	3.80 - 4.20
Bonds above 5 years in VND	6.20 - 8.70	6.30 - 9.10
Bonds above 5 years in USD	4.50	4.50

18 OTHER LIABILITIES

18.1 Interest and fee payables

	31.12.2024	31.12.2023
	VND million	VND million
Interest payables for deposits	6,006,415	7,713,126
Interest payables for valuable papers issued	1,354,935	1,518,297
Interest payables for borrowings	457,048	952,098
Interest payables for derivatives forward, swap contracts	140,021	110,286
Interest payables for funds, entrusted investments received	54,747	52,692
	8,013,166	10,346,499

18.2 Other liabilities

	31.12.2024	31.12.2023
	VND million	VND million
Internal payables	1,012,394	238,604
External payables		
- Remittance-in-transit payables	4,677,439	4,188,693
- Cash held-on-behalf and awaiting for settlements	1,662,059	488,371
- Tax and other payables to the State (Note 34)	1,074,508	1,928,845
- Accrued expenses	236,401	191,299
- Payables to agency	61,121	195,043
- Other payables	687,059	431,057
Unearned revenue	2,100,473	1,223,782
Bonus and welfare funds	46,763	41,611
	11,558,217	8,927,305

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

19 OWNERS' EQUITY

19.1 Movements in owners' equity

	Reserves of credit institution							Investment and construction capital VND million	Retained earnings VND million	Non - controlling interest VND million	Total VND million
	Charter capital VND million	Share premium VND million	Treasury shares VND million	Financial reserve VND million	Supplement charter reserve VND million	Other reserve VND million	Total reserves VND million				
As at 1 January 2023	25,303,429	535,956	(413,448)	2,352,091	1,048,387	127,249	3,527,727	89	7,999,785	2,041,348	38,994,886
Profit for the year	-	-	-	-	-	-	-	-	10,070,898	265,115	10,336,013
Stock dividends (i)	3,772,892	-	-	-	-	-	-	-	(3,772,892)	-	-
Cash dividends (ii)	-	-	-	-	-	-	-	-	(2,515,261)	-	(2,515,261)
Dividends of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Appropriation to reserves	-	-	-	-	-	-	-	-	-	-	-
Appropriation to bonus and welfare fund	-	-	-	790,110	395,722	25,000	1,210,832	-	(1,210,832)	-	-
Utilisations of reserves during the year	-	-	-	-	-	-	-	-	(10,000)	-	(10,000)
	-	-	-	-	-	(30,316)	(30,316)	-	-	-	(30,316)
As at 31 December 2023	29,076,321	535,956	(413,448)	3,142,201	1,444,109	121,933	4,708,243	89	10,561,698	1,931,463	46,400,322
Shares issued to employees (iii)	200,000	-	-	-	-	-	-	-	-	-	200,000
Profit for the year	-	-	-	-	-	-	-	-	12,762,953	484,695	13,247,648
Stock dividends (iv)	5,825,102	-	-	-	-	-	-	-	(5,825,102)	-	-
Cash dividends (v)	-	-	-	-	-	-	-	-	(2,912,550)	-	(2,912,550)
Dividends of subsidiary	-	-	-	-	-	-	-	-	-	-	-
Appropriation to reserves	-	-	-	-	533,514	25,000	1,623,118	-	(1,623,118)	-	-
Appropriation to bonus and welfare fund	-	-	-	-	-	-	-	-	-	-	-
Utilisations of reserves	-	-	-	-	-	(18,159)	(18,159)	-	(10,000)	-	(10,000)
	-	-	-	-	-	-	-	-	-	-	(18,159)
As at 31 December 2024	35,101,423	535,956	(413,448)	4,206,805	1,977,623	128,774	6,313,202	89	12,953,881	2,166,158	56,657,261

(i) According to the Resolution of the General Meeting of Shareholders No. 06/2023/NQ-ĐHĐCĐ dated 26 April 2023, the Resolution of the Board of Directors No. 175/2023/NQ-HĐQT dated 10 May 2023 and the Official Letter No. 4279/NHNN-TTGSNH dated 5 June 2023 from SBV, the Bank distributed stock dividends of the year 2022 at the rate of 15% appropriation from undistributed retained earnings of the financial year 2022 to increase its charter capital, according to the list of shareholders finalised at the last registration date on 20 July 2023.

(ii) According to the Resolution of the General Meeting of Shareholders No. 06/2023/NQ-ĐHĐCĐ dated 26 April 2023, the Resolution of the Board of Directors No. 174/2023/NQ-HĐQT dated 10 May 2023, the Bank distributed cash dividends at the rate of 10% of the total outstanding shares, appropriation from undistributed retained earnings of the financial year 2022. The Bank made payments for this cash dividend on 12 June 2023.

(iii) According to the Resolution of the General Meeting of Shareholders No. 07/2023/NQ-ĐHĐCĐ dated 26 April 2023, the Resolution of the Board of Directors No. 408/2023/NQ-HĐQT dated 2 October 2023 and the Official Letter No. 9252/NHNN-TTGSNH dated 1 December 2023 from SBV, the Bank approved a plan to issue 20,000,000 shares to employees under the Employee Stock Ownership Plan ("ESOP") program at an issuance price of VND10,000 per share. On 29 March 2024, the State Securities Commission of Vietnam issued the Official Letter No. 1951/UBCK-QLCB confirmed the receipt of the report on the results of the ESOP share issuance of the Bank dated 25 March 2024. Accordingly, the Bank distributed 20,000,000 shares to employees. On 8 October 2024, SBV issued Decision No. 2240/QĐ-NHNN to amend the charter capital content in the Bank's Establishment and Operation license.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

19 OWNERS' EQUITY (continued)

19.1 Movements in owners' equity (continued)

- (iii) According to the Resolution of the General Meeting of Shareholders 08/2024/NQ-ĐHĐCĐ dated 26 April 2024, the Board of Directors' Resolution No. 351/2024/NQ-HĐQT dated 2 July 2024 and the Official Letter No. 8873/NHNN-TTGSNH dated 28 October 2024 from SBV, the Bank distributed stock dividends of the year 2023 at the rate of 20% appropriation from undistributed retained earnings of the financial year 2023 to increase its charter capital, according to the list of shareholders finalised at the last registration date on 12 December 2024. On 26 December 2024, SBV issued Decision No. 2785/QĐ-NHNN to amend the charter capital content in the Bank's Establishment and Operation License.
- (iv) According to the Resolution of the General Meeting of Shareholders No. 07/2024/NQ-ĐHĐCĐ dated 26 April 2024, the Resolution of the Board of Directors No. 350/2024/NQ-HĐQT dated 2 July 2024, the Bank distributed cash dividends at the rate of 10% of the total outstanding shares, appropriation from undistributed retained earnings of the financial year 2023. The Bank made payments for this cash dividend on 26 July 2024.

19.2 Shares

19.2.1 Number of shares

	31.12.2024	31.12.2023
	Ordinary shares	Ordinary shares
Number of shares registered	3,510,142,254	2,907,632,132
Number of shares issued	3,510,142,254	2,907,632,132
Number of shares repurchased	(15,081,522)	(15,081,522)
Number of existing shares in circulation	3,495,060,732	2,892,550,610

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

19 OWNERS' CAPITAL (continued)

19.2 Shares (continued)

19.2.2 Movements of charter capital

	Number of ordinary shares Shares	Ordinary shares at par value VND million
As at 1 January 2023	2,530,342,922	25,303,429
Stock dividends	377,289,210	3,772,892
As at 31 December 2023	2,907,632,132	29,076,321
New shares issuance	20,000,000	200,000
Stock dividends	582,510,122	5,825,102
As at 31 December 2024	3,510,142,254	35,101,423

All ordinary shares have a par value of VND10,000.

19.2.3 Earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders after deducting the appropriations to bonus and welfare funds by the weighted average number of ordinary shares outstanding during the year, adjusted for bonus shares issued during the year. Details are as follows:

	2024	2023 Recalculated (*)
Net profit attributable to shareholders (VND million)	12,762,953	10,070,898
Adjustments to appropriation to bonus and welfare fund (VND million)	-	(10,000)
	12,762,953	10,060,898
Weighted average of ordinary shares outstanding at the reporting date (shares)	3,476,568,929	3,471,060,732
Basic earnings per share (VND)	3,671	2,899

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

19 OWNERS' CAPITAL (continued)

19.2 Shares (continued)

19.2.3 Earnings per share (continued)

(*) Basic earnings per share of the year ended 31 December 2023 was recalculated by adjusting number of existing shares in circulation from distribution of stock dividends from retained earnings and the appropriation to bonus and welfare funds (Note 19.1), details are as follows:

	For the year ended 31.12.2023		
	As previously reported	Adjustments	As recalculated
Net profit attributable to shareholders (VND million)	10,070,898	(10,000)	10,060,898
Weighted average of ordinary shares outstanding at the reporting date (shares)	2,892,550,610	578,510,122	3,471,060,732
Basic earnings per share (VND)	3,482		2,899

During the year, the Bank did not have any dilutive potential ordinary shares. Accordingly, the requirement for presentation of the diluted earnings per share was not applicable.

20 INTEREST AND SIMILAR INCOME

	2024 VND million	2023 VND million
Interest income from loans	42,802,465	38,543,102
Interest income from trading, investment of debt securities:	3,637,261	2,709,684
- <i>Interest income from investment securities</i>	2,954,066	2,618,802
- <i>Interest income from trading securities</i>	683,195	90,882
Income from UPAS L/C and deferred L/C	2,903,355	2,582,206
Interest income from deposits	1,571,993	1,039,402
Income from guarantee activities	349,554	70,570
Other income from credit activities (*)	6,730,900	7,695,613
	57,995,528	52,640,577

(*) Mainly included capital withdrawal commitment fees, standby credit limit fees, early repayment fees and other fees related to credit activities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

21 INTEREST AND SIMILAR EXPENSES

	2024 VND million	2023 VND million
Interest expenses on deposits	20,578,179	23,657,737
Interest expenses on valuable papers issued	3,531,995	3,412,816
Interest expenses on borrowings	2,984,870	3,353,894
Other expenses on credit activities	43,408	32,156
	<u>27,138,452</u>	<u>30,456,603</u>

22 FEE AND COMMISSION INCOME

	2024 VND million	2023 VND million
Card services	1,537,868	418,885
Insurance agency services	1,082,915	1,396,733
Settlement services	341,740	721,210
Other services	333,100	293,340
	<u>3,295,623</u>	<u>2,830,168</u>

23 FEE AND COMMISSION EXPENSES

	2024 VND million	2023 VND million
Card services	1,052,711	307,333
Insurance agency services (*)	473,808	115,004
Brokerage fees	205,804	27,858
Settlement services	73,313	109,382
Other services	73,409	82,789
	<u>1,879,045</u>	<u>642,366</u>

(*) Included in the expenses related to insurance agency services are expenses incurred arising from not meeting the required insurance KPI targets.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

24 NET GAIN FROM TRADING IN FOREIGN CURRENCIES

	2024 VND million	2023 VND million
Income from trading in foreign currencies		
- Income from currency derivatives instruments	1,447,279	975,726
- Income from foreign currency spots trading	1,056,852	1,393,712
- Income from golds trading	4,350	2,793
	<u>2,508,481</u>	<u>2,372,231</u>
Expenses from trading in foreign currencies		
- Expenses from currency derivatives instruments	(1,199,983)	(862,706)
- Expenses from foreign currency spots trading	(463,140)	(944,551)
- Expenses from golds trading	(1,545)	(271)
	<u>(1,664,668)</u>	<u>(1,807,528)</u>
Net gain from trading in foreign currencies	<u>843,813</u>	<u>564,703</u>

25 NET GAIN FROM TRADING OF TRADING SECURITIES

	2024 VND million	2023 VND million
Income from trading of trading securities	412,368	194,305
Expenses from trading of trading securities	(343,439)	(152,582)
Net gain from trading of trading securities	<u>68,929</u>	<u>41,723</u>

26 NET GAIN FROM TRADING OF INVESTMENT SECURITIES

	2024 VND million	2023 VND million
Income from trading of investment securities - debt securities	194,408	173,649
Income from trading of investment securities - equity securities	103,462	1,251,449
Expenses from trading of investment securities - debt securities	(221,039)	(203,825)
Charge of provisions for diminution in value of investment securities (Note 9.6)	(8,578)	(54,268)
Net gain from trading of investment securities	<u>68,253</u>	<u>1,167,005</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

27 NET OTHER INCOME

	2024 VND million	2023 VND million
Other income		
Income from negotiation under L/C without recourse	353,290	-
Income from recoveries of written-off loans	276,551	270,198
Overpayments received from customers	52,071	131,225
Income from interest rate and commodity derivatives	38,012	14,171
Deferred interests from disposals of assets	21,519	32,270
Other income	128,419	93,780
	<u>869,862</u>	<u>541,644</u>
Other expenses		
Expenses from interest rate and commodity derivatives	(27,915)	(4,326)
Other sponsorships	(95,308)	(227,289)
Other expenses	(40,768)	(50,876)
	<u>(163,991)</u>	<u>(282,491)</u>
Net other income	<u>705,871</u>	<u>259,153</u>

28 INCOME FROM INVESTMENTS IN OTHER ENTITIES

	2024 VND million	2023 VND million
Profit sharing from investments in associate	71,664	-
Dividends received from other long-term investments	-	9,325
	<u>71,664</u>	<u>9,325</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

29 OPERATING EXPENSES

	2024 VND million	2023 VND million
Tax and duties	342,322	3,415
Staff costs		
- Salaries and allowances	6,318,273	4,628,862
- Salary-related contributions	391,032	337,367
- Other expenses for staffs	205,848	163,950
Assets-related expenses		
- Rental expenses	510,494	458,062
- Repair and maintenance expenses	300,759	243,195
- Depreciation and amortisation	195,128	156,673
- Other expenses on assets	155,665	138,572
Advertising, marketing and promotion expenses	857,690	603,236
Conference, receptionist and guest expenses	458,607	466,459
Insurance expenses for customer deposits	429,995	285,163
Commission fee for agents	418,197	598,060
Security service expenses	192,559	171,420
Telephone and postage expenses	166,530	129,171
Electricity, water and office cleaning expenses	141,194	104,729
Others	896,462	640,868
	<u>11,980,755</u>	<u>9,129,202</u>

30 PROVISIONS FOR CREDIT LOSSES

	2024 VND million	2023 VND million
General provisions of loans to customers (Note 8.8)	653,657	592,855
General provisions of issuance of deferred L/C arising before 1.7.2024 (Note 8.8)	83,841	-
Specific provisions of loans to customers (Note 8.8)	4,583,936	3,674,896
	<u>5,321,434</u>	<u>4,267,751</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

31 CIT EXPENSES

CIT expenses on the Bank and its subsidiary's profit before tax differs from theoretical amount that would arise using the applicable tax rate of 20% as follows:

	2024 VND million	2023 VND million
Net accounting profit before tax	16,729,995	13,016,732
Tax calculated at a rate of 20%	3,345,999	2,603,346
Adjustments:		
Income not subject to tax	-	(2,550)
Expenses not deductible for tax purposes	157,858	74,867
Adjustment for tax payables in previous year	(7,178)	4,098
Adjustment for profit from consolidation	(14,332)	958
CIT charge (*)	<u>3,482,347</u>	<u>2,680,719</u>
Charged to the consolidated income statement:		
CIT – current	3,561,555	2,724,629
CIT – deferred (i)	<u>(79,208)</u>	<u>(43,910)</u>
CIT charge (*)	<u><u>3,482,347</u></u>	<u><u>2,680,719</u></u>

- (i) Movements in deferred tax assets related to deductible temporary difference (mainly came from unearned revenue and provision) during the year are as follows:

	2024 VND million	2023 VND million
Opening balance	76,708	32,798
Charged to the consolidated income statement	79,208	43,910
Closing balance	<u>155,916</u>	<u>76,708</u>

- (*) The CIT expenses charged for the year are based on estimated taxable profit and are subject to review and possible adjustments by the tax authorities.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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32 CASH AND CASH EQUIVALENTS

	31.12.2024 VND million	31.12.2023 VND million
Cash on hand and golds	3,105,355	2,810,044
Balances with SBV	26,680,270	41,481,638
Placements with other credits institutions (including demand and term deposits with original terms of 3 months or less)	94,225,901	88,120,085
Investment securities with collection period or original maturities of 3 months or less from purchase date	13,250,000	-
	<u>137,261,526</u>	<u>132,411,767</u>

33 EMPLOYEES' INCOME

	2024 VND million	2023 VND million
Total average number of employees (headcounts)	17,867	16,643
Employees' income		
Total salary fund	6,142,967	4,481,308
Other income	175,306	147,554
	<u>6,318,273</u>	<u>4,628,862</u>
 Average salary per month (VND million/employee)	28,65	22,44
Average income per month (VND million/employee)	<u>29,47</u>	<u>23,18</u>

34 OBLIGATIONS TO THE STATE

Items	1.1.2024 VND million	Movements during the year		31.12.2024 VND million
		Payables VND million	Payments VND million	
CIT	1,820,741	3,561,555	(4,466,688)	915,608
Value added tax	70,529	789,739	(800,213)	60,055
Personal income tax	20,900	618,396	(565,451)	73,845
Withholding tax	16,675	117,493	(117,774)	16,394
Others	-	79,341	(70,735)	8,606
	<u>1,928,845</u>	<u>5,166,524</u>	<u>(6,020,861)</u>	<u>1,074,508</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

35 ASSETS, VALUABLE PAPERS HELD AS COLLATERALS AND FOR DISCOUNTING, REDISCOUNTING

35.1 Assets, valuable papers received as collaterals and for discounting and rediscounting

	31.12.2024 VND million	31.12.2023 VND million (*)
Of customers:		
- Real estates	388,639,341	357,224,126
- Valuable papers	87,864,753	61,228,868
- Transportation vehicles	13,747,796	11,611,557
- Machines, equipment	11,814,167	12,049,601
- Materials	2,223,155	5,655,113
- Other assets	201,901,687	259,534,081
	<u>706,190,899</u>	<u>707,303,346</u>
Of credit institutions:		
- Valuable papers	4,000,000	-
	<u>710,190,899</u>	<u>707,303,346</u>

(*) The balances as at 31 December 2023 have been reclassified for comparison purposes with this year's presentation.

In addition to the aforementioned collateral assets, the Bank also received other collateral assets which are asset rights arising from business cooperation contracts.

35.2 Assets, valuable papers placed as collaterals and for discounting and rediscounting

	31.12.2024 VND million	31.12.2023 VND million
Government bonds	<u>2,040,000</u>	<u>3,590,000</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

36 COMMITMENTS AND CONTINGENT LIABILITIES

36.1 Commitments

Total amounts of effective commitments outstanding as at the date of the consolidated statement of financial position are as follows:

	31.12.2024 VND million	31.12.2023 VND million
Borrowing guarantees	808,743	809,436
Foreign exchange transactions commitments	199,138,079	259,213,350
L/C commitments	46,647,030	2,643,473
Other guarantees	25,173,809	15,724,260
- <i>Payment guarantees</i>	<i>22,151,709</i>	<i>13,097,981</i>
- <i>Contract performance guarantees</i>	<i>640,765</i>	<i>762,746</i>
- <i>Bidding guarantees</i>	<i>64,973</i>	<i>27,134</i>
- <i>Other guarantees</i>	<i>2,316,362</i>	<i>1,836,399</i>
Other commitments	12,364,361	5,318,378
- <i>Valuable papers trading contracts commitments</i>	<i>5,800,000</i>	<i>250,000</i>
- <i>Interest swap contracts commitments</i>	<i>1,994,840</i>	<i>1,943,430</i>
- <i>Commodity derivatives contracts commitments</i>	<i>423,518</i>	<i>21,391</i>
- <i>Unused credit card limits commitments</i>	<i>4,146,003</i>	<i>3,103,557</i>
<i>Less: Marginal deposits</i>	<i>(419,089)</i>	<i>(628,026)</i>
	<u>283,712,933</u>	<u>283,080,871</u>

36.2 Operating lease commitments

The future minimum lease payments under non-cancellable operating leases of the Bank and its subsidiary are as follows:

	31.12.2024 VND million	31.12.2023 VND million
Within 1 year	308,649	287,646
From 1 year to 5 years	655,740	582,572
Over 5 years	487,174	575,664
Total minimum payments	<u>1,451,563</u>	<u>1,445,882</u>

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

36 COMMITMENTS AND CONTINGENT LIABILITIES (continued)

36.3 Capital commitments

Capital expenditure contracted for at the consolidated statement of financial position date but not recognised in the consolidated financial statements are as follows:

	31.12.2024 VND million	31.12.2023 VND million
Buildings, structures	225,777	202,667
Software	146,980	54,973
Repair and maintenance expenses	40,647	47,205
Others	7,320	26,737
	<u>420,724</u>	<u>331,582</u>

37 OTHER OFF-STATEMENT OF CONSOLIDATED FINANCIAL POSITION ITEMS

37.1 Interests and fees receivables not yet collected

	31.12.2024 VND million	31.12.2023 VND million
Interest receivables from loans not yet collected	1,242,873	961,311
Interest receivables from investments not yet collected	40,050	40,050
Fee receivables not yet collected	2,053,517	1,362,988
	<u>3,336,440</u>	<u>2,364,349</u>

37.2 Bad debts written-off

	31.12.2024 VND million	31.12.2023 VND million
Principal balances of written-off loans being under monitoring	16,066,568	12,776,048
Interest balances of written-off loans being under monitoring	4,068,209	2,808,290
	<u>20,134,777</u>	<u>15,584,338</u>

37.3 Other assets and documents

	31.12.2024 VND million	31.12.2023 VND million
Other assets kept-on-behalf	45,997,113	25,918,278
Other valuable documents under custody	1,552,112	1,113,694
Precious metals and stones kept-on-behalf	39,936	29,473
	<u>47,589,161</u>	<u>27,061,445</u>

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2023

38 ENTRUSTMENTS UNDERTAKING ACTIVITIES NOT EXPOSED TO RISK

Remaining payables by the Bank to a credit institution from the entrustment contract for lendings still recognised in the off-statement of financial position items are as follows:

	31.12.2024 VND million	31.12.2023 VND million
Payables of from loans granted under entrustment contract for lendings	3,356,179	4,265,122
<i>Total effective limit of entrustment fund received from the organisation</i>	<u>3,357,406</u>	<u>13,550,000</u>

39 CONCENTRATIONS OF ASSETS, LIABILITIES AND OFF STATEMENT OF FINANCIAL POSITION ITEMS BY GEOGRAPHICAL AREA

	Deposits with and loans to other credit institutions	Loans to customers	Derivatives financial instruments (*)	Trading and investment securities	Other long-term investments	Placements and borrowings from other credit institutions	Deposits from customers	Funds, entrusted investments and borrowings received that the Bank bears risks	Valuable papers issued	Credit commitments
	Unit: VND million									
31.12.2024										
Domestic	91,836,193	442,484,841	90,784,289	70,799,909	876,285	80,007,179	437,505,165	2,788,443	73,091,856	72,629,582
Overseas	9,764,061	-	4,705,081	-	-	19,453,400	-	-	8,257,888	-
	<u>101,600,254</u>	<u>442,484,841</u>	<u>95,489,370</u>	<u>70,799,909</u>	<u>876,285</u>	<u>99,460,579</u>	<u>437,505,165</u>	<u>2,788,443</u>	<u>81,349,744</u>	<u>72,629,582</u>
31.12.2023										
Domestic	85,808,706	343,404,295	117,475,318	62,757,493	163,921	83,695,336	370,777,888	2,811,129	43,058,944	19,177,169
Overseas	10,706,157	-	3,186,812	-	-	28,391,642	-	-	7,879,204	-
	<u>96,514,863</u>	<u>343,404,295</u>	<u>120,662,130</u>	<u>62,757,493</u>	<u>163,921</u>	<u>112,086,978</u>	<u>370,777,888</u>	<u>2,811,129</u>	<u>50,938,148</u>	<u>19,177,169</u>

(*) Total contract value at foreign exchange rate at the contract date.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

40 RELATED PARTY DISCLOSURES

40.1 Related party transactions

The primary transactions with related parties incurred during the year are as follows:

	2024 VND million	2023 VND million
Major shareholders and their related parties		
Increases in deposits from customers and interests paid	62,994,370	105,430,748
Decreases in deposits from customers	59,654,826	104,378,566
Increases in loans to customers	-	242,341
Decreases in loans to customers	41,352	782,046
Interest income from loans	21,916	80,127
Insurance services fees	2,849	3,924
Insurance expenses for assets	9,142	8,826
	<u>62,994,370</u>	<u>105,430,748</u>
Entities in which the Bank has long-term investments		
Increases in deposits from customers and interests paid	145,568,946	108,117,080
Decreases in deposits from customers	145,416,459	105,637,426
Increases in loans to customers	18,527,253	14,035,494
Decreases in loans to customers	19,034,044	13,723,653
Interest income from loans	209,303	259,319
	<u>145,568,946</u>	<u>108,117,080</u>
Associate (i)		
Increases in deposits from customers and interests paid	302,040,358	-
Decreases in deposits from customers	300,872,111	-
Interest income from loans	101,134	-
Income from service activities	9,122	-
	<u>302,040,358</u>	<u>-</u>
Members of the Board of Directors, Board of Supervisors, Board of Management and their related parties		
Increases in deposits from customers and interests paid	158,776,327	355,499,623
Decreases in deposits from customers	158,792,380	355,157,878
Increases in loans to customers	4,074,577	2,530,263
Decreases in loans to customers	1,677,063	2,894,289
Interest income from loans	43,951	41,780
Income from service activities	-	478,426
- Bonds collection on behalf and management services (i)	-	445,202
- Interest income from deposits for purchases of CDs	-	33,224
Remuneration paid to:		
- The Board of Directors (ii)	27,323	16,432
- The Board of Management, Chief Financial Officer and Chief Accountant (iii)	31,122	20,882
Remuneration/income and operating expenses of the Board of Supervisors	12,214	8,739
	<u>158,776,327</u>	<u>355,499,623</u>

- (i) The entity was a related party of the Bank for the period from 30 March 2023 and the entity became an associate company of the Bank from 12 June 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

40 RELATED PARTY DISCLOSURES (continued)

40.1 Related party transactions (continued)

(ii) Details of remuneration/income paid to members of the Board of Directors during the year are as follows:

Name	Position	2024 VND million	2023 VND million
Mr. Kim Byoungcho	Chairman, Independent member	15,085	5,177
Ms. Nguyen Thi Phuong Thao	Permanent Vice Chairwoman	3,692	1,851
Mr. Luu Duc Khanh	Vice Chairman	888	1,027
Mr. Nguyen Thanh Do	Vice Chairman	2,410	2,227
Mr. Nguyen Huu Dang	Vice Chairman	2,514	3,541
Mr. Le Manh Dung	Independent member	1,876	1,171
Mr. Pham Quoc Thanh	Member (from 26 April 2023)	858	403
Ms. Nguyen Thi Tam	Member (to 26 April 2023)	-	1,035
		<u>27,323</u>	<u>16,432</u>

(iii) Details of remuneration/income paid to members of the Board of Management, Chief Financial Officer and Chief Accountant during the year are as follows:

Name	Position	2024 VND million	2023 VND million
Mr. Pham Quoc Thanh	General Director	3,476	1,771
Mr. Nguyen Minh Duc	Deputy General Director	2,621	2,180
Mr. Le Thanh Tung	Deputy General Director	1,928	1,569
Mr. Nguyen Van Hao	Deputy General Director	2,063	2,141
Mr. Nguyen Dang Thanh	Deputy General Director	2,501	1,858
Mr. Tran Hoai Nam	Deputy General Director	2,371	2,054
Mr. Nguyen Canh Vinh	Deputy General Director	3,958	2,601
Mr. Tran Thai Hoa	Deputy General Director	1,615	1,347
Mr. Tran Xuan Huy	Deputy General Director (from 16 October 2023)	4,645	806
Mr. Le Thanh Trung	Deputy General Director (to 16 December 2024)	2,700	2,158
Mr. Pham Van Dau	Chief Financial Officer	1,940	1,359
Ms. Ho Dang Hoang Quyen	Chief Accountant	1,304	1,038
		<u>31,122</u>	<u>20,882</u>

The above remunerations/income are presented on the basis of actual receipt after withholding personal income tax in accordance with current regulations.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024

40 RELATED PARTY DISCLOSURES (continued)

40.2 Year end balances with related parties

	31.12.2024 VND million	31.12.2023 VND million
Major shareholders and their related parties		
Deposits from customers	7,203,382	3,860,314
- <i>Demand deposits</i>	3,579,821	2,190,734
- <i>Term deposits</i>	3,479,858	1,554,480
- <i>Saving deposits</i>	129,703	101,100
- <i>Marginal, payment guarantee deposits</i>	14,000	14,000
Loans to customers	148,129	189,788
Other receivables	158,920	311,550
Interest receivables from loans	419	660
	<u> </u>	<u> </u>
Entities in which the Bank has long-term investments		
Deposits from customers	3,103,704	2,950,234
- <i>Demand deposits</i>	3,003,671	1,620,401
- <i>Term deposits</i>	100,000	1,300,000
- <i>Marginal, payment guarantee deposits</i>	33	29,833
Loans to customers	2,884,273	3,292,818
Interest receivables from loans	4,246	4,116
	<u> </u>	<u> </u>
Associate (i)		
Deposits from customers	2,326,798	-
- <i>Demand deposits</i>	2,326,798	-
Loans to customers	3,000,000	-
Interest receivables from loans	7,790	-
Other assets	28,504	-
- <i>Receivables from bonds collection on behalf and management services</i>	10,024	-
- <i>Other receivables</i>	18,480	-
	<u> </u>	<u> </u>
Members of the Board of Management, Board of Supervisors, Board of Directors and their related parties		
Deposits from customers	1,324,915	2,441,685
- <i>Demand deposits</i>	281,187	1,158,828
- <i>Term deposits</i>	445,000	845,458
- <i>Saving deposits</i>	598,728	437,335
- <i>Marginal deposits</i>	-	64
Loans to customers	227,144	567,744
Other assets	1,243	122,796
- <i>Interest receivables</i>	1,243	1,792
- <i>Receivables from bonds collection on behalf and management services (i)</i>	-	121,004
	<u> </u>	<u> </u>

- (i) The entity was a related party of the Bank for the period from 30 March 2023 and the entity became an associate company of the Bank from 12 June 2024.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****41 FINANCIAL RISK MANAGEMENT****41.1 Risk management policies relating to financial instruments**

Risk policies, limits and management tools are embedded in daily operations of the Bank and its subsidiary.

The Bank and its subsidiary's objective is to manage its risk adequately within the approved limits. Therefore, the use of financial instruments, including receiving deposits from customers and investing in high-quality assets to achieve sufficient interest margins, are core activities of the Bank and its subsidiary. From risk management perspective, this primarily involves maintaining loans to individuals and organisational borrowers of varied creditworthiness, in both local and foreign currencies, as well as off-statement of financial position commitments (such as guarantees and letters of credit). In addition, the Bank and its subsidiary also place its mobilised funds in loans to other banks. Risks relating to foreign exchange and interest rate exposures are managed through the use of position limits, to avoid undue concentrations and entering into counter-balancing positions in order to offset exposures. By holding high quality financial instruments, the Bank and its subsidiary are able to manage significant risks in its operating activities and to maintain an adequate liquidity position.

41.2 Credit risk

Credit risk is the risk of financial loss due to customer or counterparty of the Bank and its subsidiary being unable or unwilling to fulfill on its payment obligations, in part or as a whole under a contract or agreement with the Bank and its subsidiary. The Bank and its subsidiary's customer or counterparty (including credit institutions and foreign bank branches) has relationship with the Bank and its subsidiary in term of being granted credit (including entrusted loans), receiving deposits and issuing corporate bonds.

41.2.1 Credit risk management and mitigation policies

The Bank and its subsidiary have established a credit quality review process to provide early identification of possible changes in the financial position and creditworthiness of counterparties. Counterparty's limit is established by the use of a credit rating system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision and updates.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024**

41 FINANCIAL RISK MANAGEMENT (continued)

41.2 Credit risk (continued)

41.2.2 Maximum exposure to credit risk

The maximum exposure to credit risk is the carrying amounts on the consolidated statement of financial position as well as off-statement of financial position financial instruments, without taking into account any collateral assets held or other credit enhancements. For contingent liabilities, the maximum exposure to credit risk is the maximum amount that the Bank and its subsidiary would have to pay if the obligations of the instruments issued are called upon. For off-statement of financial position commitments, the maximum credit risk exposure is the full value of the unrealised commitments. For credit commitments, the maximum exposure to credit risk is the full amount of the undrawn credit facilities granted to customers. The table below shows the maximum exposure to credit risk for the Bank and its subsidiary, without taking into account any collateral assets held or other credit enhancements, including:

	Maximum exposures	
	31.12.2024	31.12.2023
	VND million	VND million
Credit risk exposures relating to assets in the consolidated statement of financial position:		
Placements with and loans to other credit institutions	101,600,254	96,514,863
Trading securities (Note 6.4)	21,176,948	18,580,932
Derivatives financial instruments and other financial assets	-	110,079
Loans to customers (Note 8.3)	442,484,841	343,404,295
Investment securities (Note 9.5)	13,196,768	26,564,970
Other financial assets (Note 12.4)	50,861,071	52,546,920
	<u>629,319,882</u>	<u>537,722,059</u>
Credit risk exposures relating to off-statement of financial position items:		
Financial guarantee contracts	25,982,552	16,533,696
L/C commitments	46,647,030	2,643,473
	<u>72,629,582</u>	<u>19,177,169</u>
	<u>701,949,464</u>	<u>556,899,228</u>

41.2.3 Collaterals

The details of collateral assets are presented in Note 35.1.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

41 FINANCIAL RISK MANAGEMENT (continued)

41.2 Credit risk (continued)

41.2.4 Credit quality

Analysis of credit quality of credit risk bearing assets at the carrying amount as at the reporting date are as follows:

	As at 31.12.2024					Unit: VND million
	Placements with and loans to other credit institutions	Trading securities	Loans to customers	Investment securities	Other financial assets	Total
Balances neither past due nor impaired	101,600,254	21,176,948	412,974,190	13,151,768	50,813,634	599,716,794
Balances past due but not impaired	-	-	3,482,268	-	-	3,482,268
Balances impaired	-	-	26,028,383	45,000	47,437	26,120,820
	101,600,254	21,176,948	442,484,841	13,196,768	50,861,071	629,319,882
Less: provisions						
General provisions	-	-	(3,300,714)	(47,850)	-	(3,348,564)
Specific provisions	-	-	(2,577,890)	(45,000)	-	(2,622,890)
Other provisions	-	-	-	-	(46,926)	(46,926)
			(5,878,604)	(92,850)	(46,926)	(6,018,380)
Net amount	101,600,254	21,176,948	436,606,237	13,103,918	50,814,145	623,301,502

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

41 FINANCIAL RISK MANAGEMENT (continued)

41.2 Credit risk (continued)

41.2.4 Credit quality (continued)

	As at 31.12.2023						Unit: VND million
	Placements with and loans to other credit institutions VND million	Trading securities VND million	Derivatives VND million	Loans to customers VND million	Investment securities VND million	Other financial assets VND million	Total VND million
Balances neither past due nor impaired	96,514,863	18,580,932	110,079	316,903,432	24,034,975	52,500,121	508,644,402
Balances past due but not impaired	-	-	-	10,750,454	2,484,995	-	13,235,449
Balances impaired	-	-	-	15,750,409	45,000	46,799	15,842,208
	96,514,863	18,580,932	110,079	343,404,295	26,564,970	52,546,920	537,722,059
Less: provisions							
General provisions	-	-	-	(2,563,216)	(75,272)	-	(2,638,488)
Specific provisions	-	-	-	(1,491,241)	(9,000)	-	(1,500,241)
Other provisions	-	-	-	-	-	(46,521)	(46,521)
				(4,054,457)	(84,272)	(46,521)	(4,185,250)
Net amount	96,514,863	18,580,932	110,079	339,349,838	26,480,698	52,500,399	533,536,809

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk

Market risk incurs when there are adverse movements of interest rate, exchange rate, gold price, stock price and commodity price in the market causing the losses to the Bank and its subsidiary. Market risk includes currency risk, interest rate risk, price risk and commodity risk.

41.3.1 Currency risk

Currency risk incurs due to adverse movements of foreign exchange rate, gold price whilst the Bank and its subsidiary maintain an open foreign exchange/gold position. The Board of Management sets limits on the level of exposure by each currency and in total for both overnight and intra-day positions, which are monitored daily. The below table discloses the Bank and its subsidiary's assets and liabilities in book value and by currencies:

As at 31 December 2024	VND	USD	EUR	Gold	Others	Unit: VND million Total
Assets						
Cash on hand, gold, silver, precious metals	2,264,414	577,371	28,028	11,860	223,682	3,105,355
Balances with SBV	25,099,301	1,576,307	4,662	-	-	26,680,270
Placements with and loans to other credit institutions	85,529,737	9,476,764	358,611	-	6,235,142	101,600,254
Trading securities	21,955,775	-	-	-	-	21,955,775
Loans to customers (*)	423,514,172	18,645,518	28,700	-	296,451	442,484,841
Investment securities (*)	48,844,134	-	-	-	-	48,844,134
Investments in other entities and long-term investments (*)	876,285	-	-	-	-	876,285
Fixed assets	1,765,927	-	-	-	-	1,765,927
Other assets (*)	44,888,727	11,194,719	1,533	-	5,520	56,090,499
Total assets	654,738,472	41,470,679	421,534	11,860	6,760,795	703,403,340
Liabilities						
Borrowings from the Government and SBV	15,434	-	-	-	-	15,434
Placements and borrowings from other credit institutions	77,286,473	20,020,821	28,700	-	2,124,585	99,460,579
Deposits from customers	433,635,028	3,226,967	231,414	-	411,756	437,505,165
Derivatives financial instruments and other financial liabilities	(10,625,104)	6,612,000	26,574	-	4,004,979	18,449
Funds, entrusted investments and borrowings received that the Bank bears risks	-	2,737,452	-	-	50,991	2,788,443
Valuable papers issued	73,086,294	8,263,450	-	-	-	81,349,744
Other liabilities	18,619,583	769,814	129,128	425	52,433	19,571,383
Total liabilities	592,017,708	41,630,504	415,816	425	6,644,744	640,709,197
Net on-balance sheet position	62,720,764	(159,825)	5,718	11,435	116,053	62,694,143
Off-balance sheet commitment position	-	866	-	-	(106,152)	(105,286)
Total currency gap	62,720,764	(158,959)	5,718	11,435	9,899	62,588,857

(*) These items do not include provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk (continued)

41.3.1 Currency risk (continued)

As at 31 December 2023		Unit: VND million			
Assets	VND	USD	EUR	Gold	Others
Cash on hand, gold, silver, precious metals	1,956,741	463,842	34,644	23,634	331,183
Balances with SBV	38,391,317	3,085,613	4,708	-	-
Placements with and loans to other credit institutions	74,188,970	13,016,580	84,147	-	9,225,166
Trading securities	18,580,932	-	-	-	-
Derivatives financial instruments and other financial assets	1,926,662	6,042,527	-	-	(7,859,110)
Loans to customers (*)	333,518,834	9,828,622	-	-	56,839
Investment securities (*)	44,176,561	-	-	-	-
Other long-term investments (*)	163,921	-	-	-	-
Fixed assets	1,422,759	-	-	-	-
Other assets (*)	44,208,637	12,519,163	705,868	-	421,489
Total assets	558,535,334	44,956,347	829,367	23,634	2,175,567
Liabilities					
Borrowings from the Government and SBV	26,590	-	-	-	-
Placements and borrowings from other credit institutions	76,962,789	32,901,851	692,358	-	1,529,980
Deposits from customers	368,252,954	2,059,117	120,598	-	345,219
Funds, entrusted investments and borrowings received that the Bank bears risks	-	2,754,290	-	-	56,839
Valuable papers issued	43,050,398	7,887,750	-	-	-
Other liabilities	18,417,634	764,379	13,204	485	78,102
Total liabilities	506,710,365	46,367,387	826,160	485	2,010,140
Net on-balance sheet position	51,824,969	(1,411,040)	3,207	23,149	165,427
Off-balance sheet commitment position	-	1,275,056	-	-	(62,354)
Total currency gap	51,824,969	(135,984)	3,207	23,149	103,073

(*) These items do not include provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk (continued)

41.3.2 Interest rate risk

Interest rate risk incurs when there are adverse movements of interest rates in the markets, impacting to the values of valuable papers, interest bearing financial instruments, interest rate derivatives in trading book of the Bank and its subsidiary. The Bank and its subsidiary manage interest rate risks by monitoring the level of interest rate mismatch by terms on a monthly basis.

The table below summaries the Bank and its subsidiary's exposure to interest rate risk at the consolidated statement of financial position date. The Bank and its subsidiary's assets and liabilities are categorised by the earlier of contractual repricing or maturity dates.

As at 31 December 2024	Overdue	Non-bearing interest	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Unit: VND million									
Assets									
Cash on hand, gold, silver, precious metals	-	3,105,355	-	-	-	-	-	-	3,105,355
Balances with SBV	-	26,680,270	-	-	-	-	-	-	26,680,270
Placements with and loans to other credit institutions	-	-	96,382,586	2,060,648	2,020	3,155,000	-	-	101,600,254
Trading securities	-	-	-	-	382,922	21,572,853	-	-	21,955,775
Loans to customers (*)	29,471,301	-	73,085,685	179,776,792	57,486,923	91,403,453	11,033,692	226,995	442,484,841
Investment securities (*)	45,000	226,935	13,833,206	1,354,510	3,442,333	7,222,743	3,065,306	19,654,101	48,844,134
Investments in other entities and long-term investments	-	-	-	-	-	-	-	-	-
(*)	-	876,285	-	-	-	-	-	-	876,285
Fixed assets	-	1,765,927	-	-	-	-	-	-	1,765,927
Other assets (*)	47,437	18,585,741	-	3,595,209	2,762,599	31,099,513	-	-	56,090,499
Total assets	29,563,738	51,240,513	183,301,477	186,787,159	64,076,797	154,453,562	14,098,998	19,881,096	703,403,340
Liabilities									
Borrowings from the Government and SBV	-	-	8,715	183	520	1,041	4,975	-	15,434
Placements and borrowings from other credit institutions	-	-	76,335,050	8,420,741	9,847,291	4,574,986	282,511	-	99,460,579
Deposits from customers	-	243,258	105,931,436	68,163,863	115,018,674	126,166,292	21,981,370	272	437,505,165
Derivatives financial instruments and other financial liabilities	-	14,649	-	(17,720)	-	21,520	-	-	18,449
Funds, entrusted investments and borrowings received that the Bank bears risks	-	-	1,594	2,736,762	-	1,688	13,072	35,327	2,788,443
Valuable papers issued	-	-	1,578,804	6,913,864	14,602,494	32,153,501	25,886,212	214,869	81,349,744
Other liabilities	-	19,571,383	-	-	-	-	-	-	19,571,383
Total liabilities	-	19,829,290	183,855,599	86,217,693	139,468,979	162,919,028	48,168,140	250,468	640,709,197
Net interest gap	29,563,738	31,411,223	(554,122)	100,569,466	(75,392,182)	(8,465,466)	(34,069,142)	19,630,628	62,694,143

(*) These items do not include provisions.

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2024

41 FINANCIAL RISK MANAGEMENT (continued)

41.3 Market risk (continued)

41.3.2 Interest rate risk (continued)

Unit: VND million									

(*) These items do not include provisions.

**NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 DECEMBER 2024****41 FINANCIAL RISK MANAGEMENT (continued)****41.3 Market risk (continued)****41.3.3 Price risk**

Apart from assets and liability items that have been disclosed above, the Bank and its subsidiary are not exposed to other market price risks which risk levels account for 5% of net profit or value of assets, liabilities account for 5% of total assets.

41.4 Liquidity risk

Liquidity risk is the risk that the Bank and its subsidiary will not be able to fulfil its financial obligations as they fall due or will be able to fulfil its financial obligations as they fall due but at higher costs than the average market costs, as specified in the Bank and its subsidiary's internal regulation. To manage the liquidity risk exposure, the Bank and its subsidiary have diversified the mobilisation of deposits from various sources in addition to its basic capital resources.

Liquidity risks are mainly mitigated through the Bank and its subsidiary's holding a high proportion of assets as cash and cash equivalents in the form of demand deposits at other credit institutions, balances with SBV, and valuable papers. The risk-weighted ratios are also used to manage the Bank and its subsidiary's liquidity.

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41 FINANCIAL RISK MANAGEMENT (continued)

41.4 Liquidity risk (continued)

The table below analyses the Bank and its subsidiary's financial assets and liabilities by relevant maturity groups based on the remaining year from the consolidated statement of financial position date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

As at 31 December 2024	Overdue		Current				Unit: VND million	
	Over 3 months	Up to 3 months	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	Total
Assets								
Cash on hand, gold, silver, precious metals	-	-	3,105,355	-	-	-	-	3,105,355
Balances with SBV	-	-	26,680,270	-	-	-	-	26,680,270
Placements with and loans to other credit institutions	-	-	96,382,586	2,060,648	3,157,020	-	-	101,600,254
Trading securities	-	-	-	-	21,955,775	-	-	21,955,775
Loans to customers (*)	8,556,231	20,915,070	24,685,732	51,111,466	187,223,325	113,643,803	36,349,214	442,484,841
Investment securities (*)	45,000	-	13,626,938	301,210	6,271,468	8,945,417	19,654,101	48,844,134
Investments in other entities and long-term investments (*)	-	-	-	-	-	-	876,285	876,285
Fixed assets	-	-	644,212	311	10,076	424,468	686,860	1,765,927
Other assets (*)	47,437	-	11,526,927	5,510,810	35,274,101	697,301	3,033,923	56,090,499
Total assets	8,648,668	20,915,070	176,652,020	58,984,445	253,891,765	123,710,989	60,600,383	703,403,340
Liabilities								
Borrowings from the Government and SBV	-	-	582	1,211	4,039	9,602	-	15,434
Placements and borrowings from other credit institutions	-	-	75,063,750	5,598,455	14,676,537	4,121,837	-	99,460,579
Deposits from customers	-	-	106,174,694	68,163,863	241,184,966	21,981,370	272	437,505,165
Derivatives financial instruments and other financial liabilities	-	-	(236,759)	76,869	178,339	-	-	18,449
Funds, entrusted investments and borrowings received that the Bank bears risks	-	-	1,593	73,967	75,654	604,805	2,032,424	2,788,443
Valuable papers issued	-	-	1,078,847	3,415,199	23,578,378	25,886,212	27,391,108	81,349,744
Other liabilities	-	-	10,472,038	2,803,750	5,866,578	424,547	4,470	19,571,383
Total liabilities	-	-	192,554,745	80,133,314	285,564,491	53,028,373	29,428,274	640,709,197
Net liquidity gap	8,648,668	20,915,070	(15,902,725)	(21,148,869)	(31,672,726)	70,682,616	31,172,109	62,694,143

(*) These items do not include provisions.

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41 FINANCIAL RISK MANAGEMENT (continued)

41.4 Liquidity risk (continued)

		Overdue		Current					Unit: VND million
As at 31 December 2023		Over 3 months	Up to 3 months	Up to 1 month	1-3 months	3-12 months	1-5 years	Over 5 years	
Assets									
Cash on hand, gold, silver, precious metals	-	-	-	2,810,044	-	-	-	-	2,810,044
Balances with SBV	-	-	-	41,481,638	-	-	-	-	41,481,638
Placements with and loans to other credit institutions	-	-	-	87,159,871	1,177,700	8,177,292	-	-	96,514,863
Trading securities	-	-	-	-	4,403,015	14,177,917	-	-	18,580,932
Derivatives financial instruments and other financial assets	-	-	-	31,471	85,123	(8,115)	1,600	-	110,079
Loans to customers (*)	6,159,963	18,005,407	-	24,895,393	40,554,943	121,738,537	95,078,943	36,971,109	343,404,295
Investment securities (*)	45,000	2,484,995	-	1,932,172	9,088,619	6,658,372	8,526,130	15,441,273	44,176,561
Other long-term investments (*)	-	-	-	-	-	-	-	163,921	163,921
Fixed assets	-	-	-	563,851	162	14,639	284,403	559,704	1,422,759
Other assets (*)	46,799	-	-	15,239,520	7,644,073	31,093,144	790,524	3,041,097	57,855,157
Total assets	6,251,762	20,490,402		174,113,960	62,953,635	181,851,786	104,681,600	56,177,104	606,520,249
Liabilities									
Borrowings from the Government and SBV	-	-	-	3,273	451	5,976	16,890	-	26,590
Placements and borrowings from other credit institutions	-	-	-	66,975,915	10,008,710	30,256,443	4,845,910	-	112,086,978
Deposits from customers	-	-	-	93,599,515	70,863,590	197,862,495	8,452,287	1	370,777,888
Funds, entrusted investments and borrowings received that the Bank bears risks	-	-	-	-	70,604	70,604	564,931	2,104,990	2,811,129
Valuable papers issued	-	-	-	4,040,000	9,320,000	9,033,806	16,925,031	11,619,311	50,938,148
Other liabilities	-	-	-	9,916,279	3,865,045	5,153,596	338,600	284	19,273,804
Total liabilities	-	-	-	174,534,982	94,128,400	242,382,920	31,143,649	13,724,586	555,914,537
Net liquidity gap	6,251,762	20,490,402		(421,022)	(31,174,765)	(60,531,134)	73,537,951	42,452,518	50,605,712

(*) These items do not include provisions.

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NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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42 SEGMENT REPORTING

Geographical segments

The Bank and its subsidiary report segment information by main regions in Vietnam and overseas as follows:

	Northern region	Central region	Southern region	Overseas	Eliminations	Unit: VND million Total
As at 31 December 2024						
Assets	162,347,376	51,381,556	508,837,446	1,126	(25,201,046)	697,366,458
Liabilities	156,259,796	50,203,590	459,443,687	3,170	(25,201,046)	640,709,197
For the year ended 31 December 2024						
Profit before tax	6,087,580	1,177,966	9,466,492	(2,043)	-	16,729,995
As at 31 December 2023						
Assets	143,385,242	45,216,619	452,419,490	799	(38,707,291)	602,314,859
Liabilities	136,918,112	43,491,088	414,209,987	2,641	(38,707,291)	555,914,537
For the year ended 31 December 2023						
Profit before tax	6,467,131	1,725,531	4,825,911	(1,841)	-	13,016,732

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43 EVENTS AFTER THE DATE OF THE CONSOLIDATED STATEMENT OF FINANCIAL POSITION

According to the Resolution of the General Meeting of Shareholders ("GMS") No. 20/2024/NQ-ĐHĐCĐ dated 26 April 2024, the GMS approved the continued mandatory transfer of a commercial bank in accordance with the Approved Mandatory Transfer Plan. On 17 January 2025, SBV announced Decision No. 116/QĐ-NHNN of Governor of SBV regarding the mandatory transfer of Dong A Commercial Joint Stock Bank to the Bank was approved by the Government. After the mandatory transfer, Dong A Commercial Joint Stock Bank operates as a single-member limited liability company owned by the Bank, under the name Dong A One-Member Limited Liability Bank, has independent legal status and does not consolidate its financial statements into the Bank in accordance with the Laws on Credit Institutions 2024 No. 32/2024/QH15, and was renamed to Vikki Digital Bank Limited according to Decision No. 42/QĐ-TTGSNH2 dated 14 February 2025.

The consolidated financial statements were approved by the Board of Management on 31 March 2025.



Ho Dang Hoang Quyen
Chief Accountant



Pham Van Dau
Chief Financial Officer



Pham Quoc Thanh
General Director