



VIETNAM JOINT STOCK COMMERCIAL BANK FOR INDUSTRY AND TRADE

CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 and for the period then ended

Hanoi, July 2025

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CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 30 June 2025

Unit: VND Million

NO.	ITEMS	Notes	30 June 2025	31 Decmeber 2024 (Audited)
A	ASSETS			
I.	Cash, gold, silver and gemstones		11,463,197	11,147,549
II.	Banlances with the State Bank of Vietnam ("the SBV")		13,692,083	34,431,657
III.	Placements with and loans to other credit institutions ("CIs")		428,879,341	378,482,885
1	Placements with other CIs		425,172,819	370,530,038
2	Loans to other CIs		3,706,522	7,952,847
IV.	Trading securities	1	2,209,173	2,798,875
1	Trading securities		2,326,459	2,990,692
2	Provisions for impairment of trading securities		(117,286)	(191,817)
	Derivatives financial instruments and other financial assets	2	-	-
V.	Loans to customers		1,865,914,070	1,685,290,589
1	Loans to customers	3	1,899,351,501	1,721,954,714
2	Provision for credit losses of loans to customers	4	(33,437,431)	(36,664,125)
VII.	Investment securities	5	227,708,956	214,607,153
1	Available -for-sale investment securities		208,353,252	188,557,477
2	Held-to-maturity investment securities		19,874,993	26,635,861
3	Provisions for impairment of investment securities		(519,289)	(586,185)
VIII.	Capital contribution, long-term investments	6	4,231,173	3,933,844
1	Investments in joint ventures		4,004,046	3,706,673
2	Other long-term investments		234,462	234,462
3	Provisions for impairment of long-term investments		(7,335)	(7,291)
IX.	Fixed assets		9,957,216	10,002,157
1	Tangible fixed assets		6,117,422	6,149,216
a.	Cost		17,566,329	17,253,570
b.	Accumulated depreciation		(11,448,907)	(11,104,354)
2	Intangible fix assets		3,839,794	3,852,941
a.	Cost		7,014,754	6,927,826
b.	Accumulated amortisation		(3,174,960)	(3,074,885)
X.	Other assets		45,732,797	44,693,023
1	Other receivables		26,492,030	27,766,899
2	Interest and fee receivables		15,769,782	13,312,631
3	Deferred tax assets		30	4,369
4	Other assets		3,582,816	3,715,565
5	Provisions for impairment of other balance sheet assets		(111,861)	(106,441)
TOTAL ASSETS			2,609,788,006	2,385,387,732

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 30 June 2025

Unit: VND Million

NO.	ITEMS	Notes	30 June 2025	31 Decmeber 2024 (Audited)
B	LIABILITIES AND OWNERS' EQUITY			
I.	Borrowings from the Government and the SBV	7	138,527,513	154,284,104
1	Deposits and borrowings from the Government and the SBV		138,527,513	154,284,104
II.	Deposits and borrowings from other credit institutions	8	306,985,657	276,141,255
1	Deposits from other CIs		291,376,975	253,519,627
2	Borrowings from other Cis		15,608,682	22,621,628
III.	Deposits from customers	9	1,719,957,759	1,606,316,685
IV.	Derivative financial instruments and other financial liabilities	2	641,551	390,841
IV.	Grants, trusted funds and borrowings where the Bank bears risks		2,163,542	2,179,950
V.	Valuable papers issued	10	227,953,926	151,678,090
VI.	Other liabilities	11	49,731,862	45,892,099
1	Accrued fee and interest expenses		25,544,925	21,026,493
2	Deferred tax liabilities		-	-
3	Other payables and liabilities		21,465,319	22,102,187
4	Other provisions		2,721,618	2,763,419
	TOTAL LIABILITIES		2,445,961,810	2,236,883,024
VIII.	Capital and reserves		163,826,196	148,504,708
1.	Contributed capital	13	64,067,733	63,583,999
a.	Charter capital		53,699,917	53,699,917
b.	Capital construction investment		-	-
c.	Share premium		8,974,666	8,974,677
d.	Treasury shares		-	-
e.	Preferred shares		-	-
g.	Other capital		1,393,150	909,405
2	Reserves		25,343,661	25,316,757
3	Foreign exchange reserves		409,359	243,105
4	Undistributed earnings		72,903,163	58,390,118
5	Non-controlling interests	13	1,102,280	970,729
	TOTAL LIABILITIES AND OWNERS' EQUITY		2,609,788,006	2,385,387,732

OFF-BALANCE-SHEET ITEMS

Unit: VND Million

OFF-BALANCE-SHEET ITEMS

NO.	ITEMS	Notes	30 June 2025	31 Decmeber 2024 (Audited)
1	Credit guarantees	21	22,876,327	15,390,290
2	Foreign exchange commitments	21	844,486,002	804,229,724
	<i>Foreign exchange commitments – buy</i>		4,279,881	6,892,967
	<i>Foreign exchange commitments – sell</i>		4,282,729	6,892,619
	<i>Cross currency swap contracts</i>		835,923,392	790,444,138
	<i>Future transaction commitments</i>		-	-
3	Irrevocable loan commitments		-	-
4	Letters of credit (L/C) commitment	21	65,355,959	66,691,329
5	Other guarantees	21	121,399,358	108,170,999
6	Other commitments	21	81,938,790	63,111,263
7	Uncollected interest income and fees		10,762,801	10,664,189
8	Bad debts written-off		182,004,001	164,411,420
9	Other properties and valuable papers		135,850,681	132,970,869

Hanoi, 30 July 2025

Prepared by



Tran Thi Thu Huong

Chief Accountant



Nguyen Hai Hung

Deputy General Director



Nguyen Bao Thanh Van

CONSOLIDATED INCOME STATEMENT

Quarter II - 2025

Unit: VND Million

NO.	ITEMS	Notes	Quarter II		Accumulated from the beginning of the year to the end of this	
			Current year	Prior year	Current year	Prior year
1.	Interest and similar income	14	34,876,403	30,138,279	67,560,615	61,090,244
2.	Interest and similar expenses	15	19,033,787	14,799,392	36,242,784	30,577,121
I.	Net interest income		15,842,616	15,338,887	31,317,831	30,513,123
3.	Income from services		3,141,453	3,178,353	6,016,352	6,270,090
4.	Expenses on services		1,707,237	1,292,117	2,971,597	2,605,101
II.	Net profit from services		1,434,216	1,886,236	3,044,755	3,664,989
III.	Net gain from trading foreign currencies		1,106,104	1,186,105	2,018,970	2,530,322
IV.	Net gain/loss from trading securities	16	213,219	24,649	451,414	62,902
V.	Net gain/loss from investment securities	17	30,591	(33,548)	121,551	(139,710)
5.	Other operating income		2,545,568	2,138,199	4,786,811	3,417,913
6.	Other operating expenses		372,166	1,050,988	611,088	1,552,581
VI.	Net profit from other activities		2,173,402	1,087,211	4,175,723	1,865,332
VII.	Income from equity investment in other entities	18	116,932	150,897	240,219	210,368
VIII.	Operating expenses	19	5,847,160	5,073,752	11,366,383	9,881,200
IX.	Net profit from operating activities before credit provision expenses		15,069,920	14,566,685	30,004,080	28,826,126
X.	Provision expenses for credit losses		2,972,768	7,816,739	11,083,730	15,865,898
XI.	Profit before tax		12,097,152	6,749,946	18,920,350	12,960,228
7.	Current corporate income tax ("CIT") expense		2,345,147	1,340,587	3,664,619	2,548,345
8.	Deffered tax expense		-	-	4,339	-
XII.	Corporate income tax expense		2,345,147	1,340,587	3,668,958	2,548,345

CONSOLIDATED INCOME STATEMENT (continued)

Quarter II - 2025

NO.	ITEMS	Notes	Quarter II		Accumulated from the beginning of the year to the end of this	
			Current year	Prior year	Current year	Prior year
XIII.	Profit after corporate income tax		9,752,005	5,409,359	15,251,392	10,411,883
XIV.	Non-controlling interests		82,120	44,064	162,632	87,778
XV.	Profit attributable to the owners of the Bank		9,669,885	5,365,295	15,088,760	10,324,105

Hanoi, 30 July 2025

Prepared by



Tran Thi Thu Huong

Chief Accountant



Nguyen Hai Hung

Deputy General Director



Nguyen Bao Thanh Van

CONSOLIDATED CASH FLOW STATEMENT

(Direct method)

Quarter II - 2025

Unit: VND Million

NO.	ITEMS	Notes	Current period (from 01/01/2025 to 30/06/2025)	Prior period (from 01/01/2024 to 30/06/2024)
Cash flows from operating activities				
1	Interest and similar income received		65,005,708	62,870,157
2	Interest and similar expenses paid		(31,815,230)	(36,236,656)
3	Income received from services		3,087,925	3,606,988
4	Net cash received from trading activities (foreign currencies, gold and securities)		2,459,390	3,388,152
5	Other income/(expenses)		(275,262)	(688,627)
6	Cash recovered from bad debts written off or compensated by provision for credit losses		3,960,493	2,123,283
7	Payments to employees and for operating management		(12,120,510)	(10,390,971)
8	Corporate income tax paid for period		(4,425,942)	(4,320,101)
Net cash from operating profit before movements in assets and working capital			25,876,572	20,352,225
Movements in operating assets			(214,306,502)	(62,266,965)
9	(Increase)/Decrease in placements with and loans to other credit institutions		(13,916,530)	24,391,402
10	(Increase)/Decrease in trading securities		(10,576,397)	21,633,081
11	(Increase)/Decrease in derivatives and other financial assets		25,325	-
12	(Increase)/Decrease in loans to customers		(177,396,787)	(98,184,839)
13	Decrease in provisions for credit losses		(14,296,266)	(15,598,609)
14	(Increase)/Decrease in other operating assets		1,854,153	5,492,000
Movements in operating liabilities			206,764,880	126,299,193
15	(Increase)/Decrease in borrowings from the Government and the SBV		(15,756,591)	90,040,822
16	(Increase)/Decrease in deposits and borrowings from other credit institutions		30,844,402	(6,913,194)
17	(Increase)/Decrease in deposits from customers		113,641,074	55,931,325
18	(Increase)/Decrease in valuable papers issued (excluding issued valuable papers charged to financial activities)		76,275,836	(15,118,851)
19	(Increase)/Decrease in grants, trusted fund and borrowings where the Bank bears risks		(16,408)	(5,185)
20	(Increase)/Decrease in derivatives and other financial liabilities		225,385	822,079
21	(Increase)/Decrease in other operating liabilities		1,551,182	1,542,197
22	Expenditures from reserves of credit institution		-	-
I	Net cash generated by operating activities		18,334,950	84,384,453

CONSOLIDATED CASH FLOW STATEMENT (continued)

(Direct method)

Quarter II - 2025

Unit: VND Million

NO.	ITEMS	Notes	Current period (from 01/01/2025 to 30/06/2025)	Prior period (from 01/01/2024 to 30/06/2024)
Cash flows from investing activities			-	-
1	Acquisition of fix assets		(707,234)	(438,186)
2	Proceeds from sale, disposal of fixed asset		9,046	4,969
3	Payments for sales, disposal of fixed asset		(788)	(1,514)
4	Acquisition of investment properties		-	-
5	Proceeds from sale, disposal of investment properties		-	-
6	Payments for sales, disposal of investment properties		-	-
7	Payments for investments in other entities (Payments for investments in subsidiaries, investments in joint ventures and other long-term investments)		-	-
8	Proceeds for investments in other entities (Proceed from sales, disposal of subsidiaries, investments in joint ventures and other long-term investments)		-	-
9	Dividends and interest received from long-term investments and capital contributions.		37,749	7,056
II	Net cash flows from investing activities		(661,227)	(427,675)
Cash flows from financing activities			-	-
1	Increase equity from capital contributions and/or shares issuance		-	-
2	Proceeds from issuing long-term valuable papers eligible for inclusion in own capital and other long-term loans		-	-
3	Payments for acquisition of long-term valuable papers eligible for inclusion in own capital and other long-term loans		-	-
4	Dividends paid to share holders		-	-
5	Payments for acquisition of treasury stock		-	-
6	Proceeds from sales, disposal of treasury stock		-	1,537
III	Net cash flows from financing activities		-	1,537
IV	Net cash flows during the period		17,673,723	83,958,315
V	Cash and cash equivalents at the beginning of the period		373,319,556	272,303,607
VI	Effects of changes in foreigners exchange rates		181,069	92,756

CONSOLIDATED CASH FLOW STATEMENT (continued)
(Direct method)

Quarter II - 2025

NO.	ITEMS	Notes	Current period	Prior period
			(from 01/01/2025 to 30/06/2025)	(from 01/01/2024 to 30/06/2024)
VII	Cash and cash equivalents at the end of the period	20	391,174,348	356,354,678

Hanoi, 30 July 2025

Prepared by



Tran Thi Thu Huong

Chief Accountant



Nguyen Hai Hung

Deputy General Director



Nguyen Bao Thanh Van

**VIETNAM JOINT STOCK COMMERCIAL BANK
FOR INDUSTRY AND TRADE**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at 30 June 2025 and for the period then ended

Form: B05a/TCTD

I. General information

Vietnam Joint Stock Commercial Bank for Industry and Trade (herein referred to as "the Bank" or "VietinBank") is a joint stock commercial bank incorporated and registered in the Socialist Republic of Vietnam.

The Bank was incorporated on the basis of equitizing Vietnam Bank for Industry and Trade, a State-owned commercial bank that was incorporated under the name of Vietnam Industrial and Commercial Bank in accordance with Decree No. 53/ND-HDBT dated 26 March 1988 of the Council of Ministers on the organization of the State Bank of Vietnam ("the SBV"). The Bank was officially renamed Vietnam Bank for Industry and Trade in accordance with Decision No. 402/CT dated 14 November 1990 granted by the Chairman of the Council of Ministers and remodeled to become a State Corporation under Decision No. 285/QD-NH5 dated 21 September 1996 of the Governor of the SBV. On 25 December 2008, Vietnam Bank for Industry and Trade successfully carried out its initial public offering.

On 03 July 2009, the Bank was equitized and renamed Vietnam Joint Stock Commercial Bank for Industry and Trade according to Establishment and Operation License No. 142/GP-NHNN dated 03 July 2009 on the Establishment and Operation of a Joint Stock Commercial Bank (for operation term of 99 years) and Business Registration Certificate No. 0103038874 dated 03 July 2009 issued by Hanoi Department for Planning and Investment. The latest (13th) amended Enterprise Registration Certificate No. 0100111948 was issued by Hanoi Department for Planning and Investment on 08 January 2024. On 17 June 2022, the SBV granted Establishment and Operation License No. 13/GP-NHNN to replace the Establishment and Operation License No. 142/GP-NHNN dated 03 July 2009 and the amending and supplementing decisions relating thereto from 2017 to 2021. On 3 November 2023, the SBV issued Decision No. 2080/QD-NHNN on supplementing of operations on Operation License of Vietnam Joint Stock Commercial Bank for Industry and Trade and on 28 December 2023, the SBV issued Decision No. 2472/QD-NHNN on amending the amount of charter capital in the Establishment and Operation License of Vietnam Joint Stock Commercial Bank Industry and Trade.

The Bank was established to carry out banking activities under its Establishment and Operation License and Enterprise Registration Certificate, including receiving demand deposits, term deposits, savings deposits and other types of deposits; credit granting; opening current accounts for customers; providing domestic payment services; opening accounts; organizing internal payment and joining the national interbank payment system; providing cash management, banking and financial advisory services; services of managing, preserving assets, leasing cabinets, safe boxes; participating in bidding, purchasing and selling for Treasury bills, negotiable instruments, Government bonds, the SBV bills and other valuable papers on the money market; buying and selling Government bonds and corporate bonds; issuing certificates of deposit, promissory notes, treasury bills and bonds to mobilize capital according to the provisions of Law on credit institutions, Law on securities, the Government's regulations and the SBV's guidance; borrowing capital from the SBV in the form of refinancing in accordance with the provisions of the Laws of the SBV and the SBV's guidance; having borrowings to/from and deposits at/from other credit institutions, branches of foreign banks, domestic and foreign financial institutions in accordance with the provisions of law and the SBV's guidance; carrying out capital contribution, shares acquisition in accordance with the provisions of law and the SBV's guidance; acting as trustor, trustee and agent in banking-related activities, insurance business and asset management in accordance with the provisions of law and the SBV's guidance; trading and providing foreign exchange services on the domestic and international market within the scope prescribed by the

**VIETNAM JOINT STOCK COMMERCIAL BANK
FOR INDUSTRY AND TRADE**

Form: B05a/TCTD

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

As at 30 June 2025 and for the period then ended

SBV; trading, supplying interest rate derivatives; providing securities depository and gold trading services; e-wallet; supplying commodity price derivative products; investing in Government bond futures contracts; providing clearing and settlement services for securities transactions in accordance with the Securities Law; supervising bank according to securities regulation.

Charter capital

The Bank's charter capital under the Establishment and Operation License No. 142/GP-NHNN dated 03 July 2009 is VND 11,252,973 million, of which State-owned capital is VND 10,040,855 million and capital raised from the Initial Public Offering is VND 1,212,118 million.

On 18 October 2010, the Bank completed its share issuance with 391,931,841 shares additionally issued, of which 76,848,603 shares were issued in form of share dividend payment and 315,083,238 shares were sold to the Bank's shareholders.

On 10 March 2011, the Bank completed its share issuance to a strategic shareholder with the total number of newly issued shares of 168,581,013.

On 28 December 2011, the Bank completed its share issuance to the existing shareholders with the total number of newly issued shares of 337,162,100.

On 13 April 2012, the Bank completed its share issuance to the existing shareholders with the total number of new issued shares of 598,782,376.

On 14 May 2013, the Bank completed its share issuance to Bank of Tokyo-Mitsubishi UFJ, Ltd. with the total number of newly issued shares of 644,389,811.

On 22 October 2013, the Bank completed its share issuance to the existing shareholders with the total number of newly issued shares of 457,260,208.

On 21 July 2021, the Bank completed its share issuance to the existing shareholders for dividend payment purpose with the total number of newly issued shares of 1,082,346,053.

On 14 December 2023, the Bank completed its share issuance to the existing shareholders for dividend payment purpose with the total number of newly issued shares of 564,241,139.

Accordingly, as at 30 June 2025, the Bank's charter capital is VND 53,699,917,480,000 million dong.

VietinBank is the joint-stock commercial bank with largest charter capital in Vietnam's banking industry, which proportion of ownership of the Government is 64.46%, proportion of ownership of strategic shareholder named The Bank of Tokyo - Mitsubishi UFJ is 19.73% and proportion of other shareholders is 15.81%.

Type of capital ownership:

	Number of shares	Proportion of ownership
Shares owned by the Government	34,616,762,830,000	64.46%
Shares owned by other shareholders	19,083,154,650,000	35.54%
Total	53,699,917,480,000	100%

**VIETNAM JOINT STOCK COMMERCIAL BANK
FOR INDUSTRY AND TRADE**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at 30 June 2025 and for the period then ended

Form: B05a/TCTD

Board of Directors:

The members of the Board of Directors during the period and at the date of this report are as follows:

Name	Position
Mr. Tran Minh Binh	Member of the Board of Directors. Appointed as Chairman of the Board for the 2024-2029 term on 27 April 2024, at the 2024 Annual General Meeting of Shareholders.
Mr. Nguyen Tran Manh Trung	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 17 October 2024 at the Extraordinary General Meeting of Shareholders.
Mr. Nguyen Viet Dung	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term at the Extraordinary General Meeting of Shareholders on 17 October 2024.
Mr. Koji Iriguchi	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Mr. Takeo Shimotsu	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Mr. Cat Quang Duong	Independent member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Mr. Nguyen The Huan	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Ms. Pham Thi Thanh Hoai	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Mr. Tran Van Tan	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Mr. Le Thanh Tung	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Mr. Nguyen Duc Thanh	Member of the Board of Directors. Appointed to the Board of Directors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders. Resigned from the Board on April 18, 2025, at the 2025 Annual General Meeting of Shareholders.
Mr. Nguyen Van Anh	Member of the Board of Directors. Elected to the Board for the 2024–2029 term on April 18, 2025, at the 2025 Annual General Meeting of Shareholders.

Board of Supervisors

The members of the Board of Supervisors during the period and at the date of this report are as follows:

**VIETNAM JOINT STOCK COMMERCIAL BANK
FOR INDUSTRY AND TRADE**
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Form: B05a/TCTD

Name	Position
Ms. Le Anh Ha	Chief of Supervisory Board (Appointed to the Supervisory Board for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders; Appointed as VietinBank Chief of Supervisory Board VietinBank Board of Supervisors for the 2024-2029 term according to Resolution No. 01/NQ-BKS-2024 dated 27 April 2024).
Ms. Nguyen Thi Anh Thu	Member of the Supervisory Board. Appointed to the Board of Supervisors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Ms. Pham Thi Thom	Member of the Supervisory Board. Appointed to the Board of Supervisors for the 2024-2029 term on 27 April 2024 at the 2024 Annual General Meeting of Shareholders.
Mr. Nguyen Hai Dang	Member of the Supervisory Board. Elected to the Supervisory Board for the 2024–2029 term on April 18, 2025, at the 2025 Annual General Meeting of Shareholders.
Ms. Mai Huong Thao	Member of the Supervisory Board. Elected to the Supervisory Board for the 2024–2029 term on April 18, 2025, at the 2025 Annual General Meeting of Shareholders. Starting from July 1, 2025.
Ms. Pham Thi Thu Huyen	Member of the Supervisory Board. Elected to the Supervisory Board for the 2024–2029 term on April 18, 2025, at the 2025 Annual General Meeting of Shareholders.

Board of Management and Chief Accountant

The members of the Board of Management and the Chief Accountant during the period and at the date of this report are as follows:

Name	Position
Mr. Nguyen Tran Manh Trung	General Director
Mr. Do Thanh Son	Deputy General Director
Mr. Tran Cong Quynh Lan	Deputy General Director
Ms. Le Nhu Hoa	Deputy General Director
Mr. Koji Iriguchi	Deputy General Director
Mr. Le Duy Hai	Deputy General Director
Mr. Nguyen Duc Thanh	Deputy General Director, appointed on April 18, 2025.
Ms. Nguyen Bao Thanh Van	Deputy General Director, appointed on May 28, 2025.
Ms. Dang Thi Viet Ha	Deputy General Director, appointed on June 01, 2025.
Mr. Duong Van Quan	Deputy General Director, appointed on May 28, 2025.
Mr. Nguyen Hai Hung	Chief Accountant

Authorized person for signing the financial statements

Name	Job title
Ms. Nguyen Bảo Thanh Vân	Deputy General Director (According to Authorization letter No. 612/UQ-HĐQT-NHCT-PCTT1 dated 01 June 2025)

**VIETNAM JOINT STOCK COMMERCIAL BANK
FOR INDUSTRY AND TRADE**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at 30 June 2025 and for the period then ended

Form: B05a/TCTD

Operating network

The Head Office of the Bank is located at 108 Tran Hung Dao Street, Hoan Kiem District, Hanoi, Vietnam. As at 31 March 2025, the Bank has one (01) Head Office; two (02) local representative offices (in Da Nang and Ho Chi Minh City) and one (01) overseas representative office in Myanmar; six (06) administrative units including: one (01) School of Human Resource Development and Training; five (05) Cash management centres; one hundred and fifty seven (157) branches and eight hundred and eighty- seven (887) transaction offices (including two (02) overseas branches); seven (07) subsidiary companies and one (01) associate company; one (01) subsidiary bank in Laos.

Subsidiaries

As at 30 June 2025, the Bank has seven (07) subsidiary companies and one (01) subsidiary bank as follows:

<i>Name</i>	<i>Operating License</i>	<i>Nature of business</i>	<i>Proportion of ownership</i>
VietinBank Leasing Company Limited	Establishment and Operation License No. 53/1998/QD-NHNN5 dated 26 January 1998 issued by the SBV.	Finance and banking	100%
VietinBank Securities Joint Stock Company	Establishment and Operation License No. 107/UBCK-GP dated 1 July 2009 issued by the State Securities Commission and the latest amended license No. 103/GPDC-UBCK dated 17 January 2025 by the State Securities Commission.	Securities activities	75.6%
VietinBank Debt and Asset Management Company Limited	Business Registration Certificate No. 0302077030/GP dated 20 July 2010 issued by Department of Planning and Investment of Ho Chi Minh City, the 7 th amendment dated 07 January 2025	Asset management	100%
VietinBank Insurance Joint Stock Corporation	Establishment and Operation License No. 21/GP-KDBH date 12 December 2002 issued by the Ministry of Finance and Amended License No. 21/GPDC34/KDBH dated 20 November 2024 issued by the Ministry of Finance.	Non-life insurance	73.4%
VietinBank Gold and Jewellery Trading Company Limited	Business Registration Certificate No. 0105011873/GP dated 25 November 2010 issued by Hanoi Department of Planning and Investment, the 12 th amendment dated 2 April 2025.	Trading, producing and refining gold, silver and gemstones	100%

**VIETNAM JOINT STOCK COMMERCIAL BANK
FOR INDUSTRY AND TRADE**
NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
As at 30 June 2025 and for the period then ended

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<i>Name</i>	<i>Operating License</i>	<i>Nature of business</i>	<i>Proportion of ownership</i>
VietinBank Fund Management Company Limited	Establishment and Operation License No. 50/UBCK-GP dated 26 October 2010 issued by the State Securities Commission and the latest Adjustment License No. 46/GPDC-UBCK dated 21 June 2024.	Fund management	100%
Vietinbank Global Money Transfer Company	Business Registration Certificate No. 0105757686 dated 3 January 2012 issued by Hanoi Department of Planning and Investment, the 2 nd amendment dated 06 February 2025.	Monetary transfer intermediary	100%
Vietinbank Lao Limited	Business Registration Certificate No. 068/NHCHDCNDL dated 8 July 2015 issued by the Central Bank of Lao P.D.R and Amended License No. 3262/DKDN dated 29 August 2024 issued by Ministry of Industry and Commerce of Laos .	Finance and banking	100%

Investment in joint venture

<i>Name</i>	<i>Operating License</i>	<i>Nature of business</i>	<i>Proportion of ownership</i>
Indovina Bank Limited	Establishment and Operation License for Joint-venture Bank No. 101/GP-NHNN dated 11 November 2019 issued by the SBV (replacing Operation License for Joint-venture Bank No. 08/NH-GP dated 29 October 29, 1992 by the SBV).	Finance and banking	50%

Employees

The total number of employees of the Vietinbank as at 30 June 2025 was 24.914

II. Accounting period, accounting currency

1. Accounting period:

The accounting period for Quarter II of VietinBank begins 01 January and ends on 30 June.

The accounting year of VietinBank begins on 01 January and ends on 31 December.

2. Accounting currency:

All arising transactions are accounted for in the original currency. Income and expenses in foreign currencies are accounted for in VND at the exchange rate on the transaction date through foreign currency trading.

VietinBank's consolidated financial statements are presented in millions of VND Million.

III. Adoption of accounting standards and accounting regimes

1. Report on Compliance with Accounting Standards:

The Bank applies Vietnamese Accounting Standards (VAS) and guidelines issued by Ministry of Finance that are effective during the financial year. The consolidated financial statements are prepared in compliance with the Vietnam accounting principles and practices, including:

- Decision No. 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (series 1);
- Decision No. 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (series 2);
- Decision No. 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (series 3);
- Decision No. 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (series 4); and
- Decision No. 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (series 5).

2. Accounting regimes

VietinBank applies the accounting regime for credit institutions issued by the State Bank of Vietnam (the SBV) and effective in the fiscal year.

3. Basis of assumptions and uses of significant accounting estimates

- **Basis of assumptions:** The consolidated financial statements are prepared in accordance with the Accounting System applicable to Credit Institutions required under Decision No. 479/2004/QD-NHNN dated 29 April 2004 issued by the Governor of the State Bank of Vietnam and effective from 1 January 2005 and amendment and supplement documents on Decision 479; Decision No. 16/2007/QD-NHNN dated 18 April 2007 of the Governor of the State Bank of Vietnam on "Promulgation of the financial reporting regime for credit institutions", Circular No.

49/2014/TT-NHNN amending and supplementing a number of provisions of the financial reporting regime for credit institutions attached with Decision No. 16/2007/QD-NHNN; Circular No. 22/2017/TT-NHNN dated 29 December 2017 amending and supplementing a number of articles of Accounting Accounts System for credit institutions attached Decision No. 479/2004/QD-NHNN dated 29 April 2004 and the financial reporting regime for credit institutions attached with Decision No. 16/2007/QD-NHNN dated 18 April 2007 of the Governor of the State Bank (effective on 1 April 2018); Circular No. 27/2021/TT-NHNN ("Circular 27") amending and supplementing a number of articles of the Accounting Accounts System of credit institutions attached with Decision No. 479/2004/QD-NHNN dated 29 April 2004 ("Decision 479") and the financial reporting regime for credit institutions attached with Decision No. 16/2007/QD-NHNN dated 18 April 2007 ("Decision 16") issued by the SBV.

- **Accounting estimates:** VietinBank's financial statements (both separate and consolidated) are presented in accordance with Decision No. 16/2007/QD-NHNN dated 18 April 2007 of the Governor of the State Bank of Vietnam on "Promulgation of financial reporting regime for credit institutions", amending and supplementing documents on Decision 16 and Vietnamese Accounting Standards as stated in point 1 of this section.

4. Applying new accounting guidance

Official Letter No. 4848/NHNN-TCKT dated June 11, 2025 of the SBV on guiding accounting for letter of credit transactions and other business activities related to letters of credit. The official letter guides accounting for letter of credit transactions including: issuance, confirmation, negotiation, reimbursement, entrustment and acceptance of entrustment of letters of credit and outright purchase without recourse of documents under letters of credit issued by other banks.

5. Consolidation of financial statements:

- The consolidated financial statements incorporate financial statements of VietinBank, seven (07) subsidiary companies and one (01) subsidiary bank as of 30 June 2025. The financial statements of the subsidiaries are prepared for the same reporting period and consistently apply accounting policies in line with those of VietinBank.

- The entities included in the consolidated financial statements are:

- ❖ VietinBank Leasing Company Limited;
- ❖ VietinBank Securities Joint Stock Company;
- ❖ VietinBank Debt and Asset Management Company Limited;
- ❖ VietinBank Insurance Joint Stock Corporation;
- ❖ VietinBank Gold and Jewellery Trading Company Limited;
- ❖ Vietinbank Fund Management Company Limited;
- ❖ VietinBank Global Money Transfer Company;
- ❖ VietinBank Lao Limited.

IV. Significant accounting policies adopted in VietinBank

1. Basis of consolidation

The consolidated financial statements incorporate the separate financial statements of the Bank and the financial statements of the enterprises/bank controlled by the Bank (its subsidiaries) for the operating period of Quarter II 2025 ended 30 June 2025. Control is achieved when the Bank has the power to govern the financial and operating policies of investee enterprises so as to obtain benefits from their activities.

The operating results of subsidiaries acquired or disposed of during the period are included in the consolidated income statement from the effective date of acquisition or up to the effective date of disposal, as appropriate. Where necessary, adjustments are made to the consolidated financial statements of subsidiaries to bring the accounting policies used in line with those used by the Bank. All internal transactions and balances between the Bank, its subsidiaries and among subsidiaries are eliminated in full on consolidation.

Non-controlling interests consist of the value of those non-controlling interests at the date of the original business combination and the non-controlling interests' share of changes in equity since the date of the combination. Losses in subsidiaries are respectively attributed to the non-controlling interests even if this results in the non-controlling interests having a deficit balance in subsidiaries' net asset value.

2. Business combinations

The assets, liabilities and contingent liabilities of the subsidiaries are measured at their fair values at the date of acquisition. Any excess of the cost of acquisition over the fair values of the identifiable net assets acquired is recognized as goodwill. Any deficiency of the cost of acquisition below the fair values of the identifiable net assets acquired is recognized in the consolidated results of operations for the accounting period in which the acquisition of subsidiaries occurred.

The non-controlling interests are initially measured at the non-controlling shareholders' proportion of the net fair value of the assets, liabilities and contingent liabilities recognized.

3. Investments in joint ventures

A joint venture is a contractual arrangement whereby the Bank and other parties undertake an economic activity that is subject to joint control, i.e., the strategic financial and operating policy decisions relating to the activities require the unanimous consent of the parties sharing control. Joint venture arrangements that involve the establishment of a separate entity in which each venturer has an interest are referred to as jointly controlled entities. The Bank reports its interests in jointly controlled entities using the equity method of accounting. According to the equity method, investments in joint ventures are initially stated at historical cost. Subsequently, interests in joint ventures are adjusted by post-acquisition changes in the Bank's share of the net assets of the joint ventures.

4. Foreign currencies

According to the Bank's accounting system, all transactions of the Bank are recorded in original currencies. At the date of the consolidated financial statements, monetary assets and liabilities denominated in foreign currencies are translated into VND using the average buying and selling spot exchange rates at the close of business at the period-end date if the difference between this rate and the weighted average exchange rate of the same day is less than 1%. Otherwise, the Bank uses the weighted average exchange rate ruling at the period-end date for conversion. The Bank's foreign currency incomes and expenses are converted into VND at the exchange rate on the date of the transaction. Foreign exchange rate differences arising from the translation of monetary assets and liabilities from foreign currencies into VND in the period are recognized in the consolidated income statement.

5. Cash and cash equivalents

Cash and cash equivalents comprise cash, gold, gemstones, current accounts at the SBV, treasury bills and other short-term valuable papers that are qualified for being discounted at the SBV, current accounts, time deposits with term of three months or less from the deposit date at other credit institutions and securities investment with the original maturity of three months or less from the transaction date.

6. Placements with and loans to other credit institutions

Placements with and loans to other credit institutions are disclosed and presented at their principal amounts outstanding at the end of the reporting period.

The credit risk classification for placements with and loans to other credit institutions and the corresponding provisioning shall comply with the provisions of Circular No. 31/2024/TT-NHNN dated 30 June 2024 of the SBV and Decree No. 86/2024/ND-CP dated 11 July 2024. Accordingly, the Bank makes specific provisions for deposits (except for current accounts and placements with Vietnam Bank for Social Policies in accordance with the regulations of the SBV on maintaining balance of deposits at Vietnam Bank for Social Policies of state credit institutions) at other credit institutions and foreign bank branches as prescribed by law, and making deposits at overseas credit institutions and loans to other credit institutions in a similar way to those for loans to customers.

7. Derivatives

7.1. Foreign currency forward and swap contracts

For foreign currency forward and swap contracts, the difference between equivalent VND amounts of foreign currency purchase/sale commitments using the forward exchange rate and the spot exchange rate as at effective date of the contract is recognized immediately at the effective date of the contract under "Interest and fee receivables" item or "Interest and fee payables" item in the consolidated statement of financial position. The difference is subsequently allocated to "Net gain/(loss) from foreign currency trading" item over the term of the contract.

As at the date of the consolidated financial statements, commitments of foreign currency forward contracts and swap contracts are revaluated and exchange differences arising from the revaluation of foreign currency denominated balances of these contracts are recognized in the consolidated income statement.

7.2. Interest rate swap contracts

Commitments of one-currency-interest-rate swap contracts are not recorded in the consolidated statement of financial position. For two-currency-interest-rate swap contracts with nominal principal swap, commitments are recognized in the consolidated statement of financial position. Income and expenses arising from interest rate effects are recorded on the accrual basis. For two-currency-interest-rate swap contracts without nominal principal swap, commitments are recognized in the consolidated statement of financial position at the date of principal exchange. Income and expenses arising from interest rate effects are recorded on the accrual basis.

8. Loans to customers

Loans to customers are disclosed and presented at their principal amounts outstanding at the end of the reporting period.

9. Provision for credit losses

9.1 Classification of loans in accordance with Circular 31/2024/TT-NHNN dated 30 June 2024

According to Circular 31, credit institutions are required to implement loan classification applicable to assets (hereinafter referred to as "debts") including:

- Loans;
- Finance leasing;
- Discounts, rediscounts of negotiable instruments and other valuable papers;
- Factoring;
- Credit facilities in the form of credit card issuance;
- Payment on behalf under off-balance sheet commitments (including payments on behalf of customers' obligations in guarantee activities, letter of credit and other payments under off-balance sheet commitments);
- Amounts for purchase and entrustment to purchase corporate bonds (including bonds issued by other credit institutions) which have not yet been listed on the stock exchanges nor registered for trading on the UPCoM trading system (hereinafter referred to as unlisted bonds), excluding the purchase of unlisted bonds with trusted funds to which the trustee bears the risk;
- Credit granting entrustment;
- Deposits (except for demand deposits at credit institutions and foreign bank branches; deposits at Vietnam Bank for Social Policies in accordance with the regulations of the SBV on maintaining the balance of deposits at Vietnam Bank for Social Policies of state credit institutions) at other credit institutions and foreign bank branches as prescribed by law and deposits (except demand deposits) at overseas credit institutions;

- Debt sale and purchase according to the State Bank's the regulations, except for the purchase of bad debts of credit institutions, foreign bank branches and asset management companies of Vietnamese credit institutions;
- Repos of Government bonds in the stock market following the law on issuance, registration, depository, listing and trading of the Government debt securities in the stock market;
- Purchase of certificates of deposit issued by other credit institutions or foreign bank branches;
- Issuance of deferred payment L/Cs containing a provision that the beneficiary is entitled to receive sight payment or advanced payment before the L/C due date, and L/C reimbursement in the form of an agreement with the customer to make payment using the reimbursing bank's funds from the date on which the reimbursing bank pays the beneficiary; L/C payment by negotiation;
- Outright purchase without recourse of sets of documents presented under L/Cs, except where a commercial bank or FBB buys outright a set of documents presented under an L/C which it issued.

Accordingly, customers' loans are determined to be the highest of risk group as classified under Article 10 and Article 11 of Circular 31 and customers' highest debt group at credit institutions provided by the Credit Information Center ("CIC") of the SBV at the time of loan classification.

The Bank and its subsidiaries maintain the debt group for a number of loans in accordance with the provisions of Circular No. 10/2015/TT-NHNN dated 22 July 2015 and Circular No. 25/2018/TT-NHNN dated 24 October 2018 of the SBV amending and supplementing a number of articles of Circular No. 10/2015/TT-NHNN guiding the implementation of some contents of the Government's Decree No. 55/2015/ND-CP dated 09 June 2015 ("Decree 55") on credit policies for agricultural and rural development; Circular 02/2023/TT-NHNN dated 23 April 2023 ("Circular 02") and Circular 06/2024/TT-NHNN dated 18 June 2024 ("Circular 06") of the SBV amending and supplementing a number of articles of Circular 02 providing instructions for credit institutions and foreign bank branches on debt rescheduling and debt category maintaining to assist customers in difficulty and documents of the SBV on debt classification and risk provisioning. Circular 53/2024/TT-NHNN ("Circular 53") providing instructions for credit institutions and foreign bank branches on debt rescheduling for borrowers facing difficulties due to impact and damage caused by storm no. 3, floods, landslides in the aftermath of storm no. 3 and Decision 1510/QĐ-TTg ("Decision 1510") on classification of assets, level of provisions for risk, method of provisions for risk and use of provisions to handling risks for debt of customers having difficulties due to the impact and damage of storm no. 3 and other relevant documents of the SBV and the Prime Minister on debt classification and risk provisioning.

Loans are classified by risk level into following groups: Standard, Special mention, Substandard, Doubtful and Loss. Loans classified as either Substandard, Doubtful or Loss are considered as bad debts. Loan classification and provision for credit losses will be made at the end of each month and recognized in the following month. Provision for credit losses as at 30 June is recognized in the consolidated income statement for that period.

Classification of debts for off-balance-sheet commitments

The bank classifies guarantees, letter of credit operations (except for cases prescribed in point n, clause 1, Article 1, Circular 31), payment acceptances, irrevocable loan commitments, and other commitments that incur credit risk (collectively referred to as off-balance sheet commitments) into the groups specified in Articles 9, 10, or 11 of Circular 31.

9.2 Provision for credit losses in accordance with Decree 86/2024/ND-CP dated 11 July 2024

Provision for credit losses

According to Decree 86, the specific provision on 30 June is calculated by subtracting the discounted value of collateral from the outstanding loan balance multiplied by the specific provision rate based on loan classification result on 30 June. The specific provision rate for each category of loan group is prescribed as follows:

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

The additional specific provision to be made is specified in Circular 02 and Circular 53.

Accordingly, the Bank is required to make specific provision for debts to customers whose repayment terms of the remaining principal balance are rescheduled as prescribed by this Circular 02 as follows:

- Up to 31 December 2023: by at least 50% of the specific provision to be additionally made; and
- Up to 31 December 2024: 100% of the specific provision to be additionally made.

The Bank is required to make specific provision for debts to customers whose repayment terms of the remaining principal balance are rescheduled as prescribed by this Circular 53 và Decision 1510 as follows:

- Up to 31 December 2024: by at least 35% of the specific provision to be additionally made;
 - Up to 31 December 2025: by at least 70% of the specific provision to be additionally made
- Up to 31 December 2026: 100% of the specific provision to be additionally made.

Following Decree 86, a general provision is made for credit losses which are yet to be identified during the loan classification and specific provisioning process as well as in cases where the Bank encounters potential financial difficulty due to the deterioration in loan quality. Accordingly, the Bank is required to fully make and maintain a general provision at 0.75% of total loan balance which are classified in groups 1 to 4, excluding deposits at domestic credit institutions, foreign bank branches in Vietnam in accordance with law and at overseas credit institutions; loans, termed purchase of valuable papers among credit institutions and foreign bank branches in Vietnam; purchases of promissory notes, bills, certificates of deposit or bonds issued locally by other credit

institutions and foreign bank branches; and repurchase agreements of Government bonds in accordance with Decree 86.

Write-off bad debts

In accordance with Decree 86, the Bank must set up Risk Management Committee to write off bad debts if they are classified into Group 5, or if borrowers are customers that are an entity dissolved or bankrupt in accordance with applicable laws; individuals that are dead or have gone missing

Off-balance-sheet commitments

The Bank does not make general and specific provisions for off-balance-sheet commitments in accordance with the guidance of Decree 86.

10. Investment

10.1. Trading securities

Trading securities include debt securities, equity securities and other securities that the Bank and/or its subsidiaries has acquired and held for the purpose of reselling in the short term to gain profit on price variance. Trading securities are recognized at cost at the date of transaction and subsequently recorded at cost during the holding period. Interest and cash dividends derived from trading securities are recognized on a cash basis in the consolidated income statement.

These securities are subject to impairment review at the date of the consolidated financial statements. Provisions for securities that are stipulated in the scope of Circular 31 are provisioned according to Decree 86 (as described in the summary of significant accounting policies for "Provision for credit losses"). Provisions for impairment of securities that are not stipulated in the scope of Circular 31 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recognized in the consolidated income statement as "Net gain/ (loss) from trading securities".

10.2. Investment securities

Available-for-sale investment securities

Available-for-sale securities include debt and equity securities that are acquired by the Bank and/or its subsidiaries for investment and available-for-sale purposes, not frequently traded but can be sold at any time they are profitable. For equity securities, the Bank and/or its subsidiaries is neither the founding shareholder nor the strategic partner of the investees.

Available-for-sale equity securities are recognized at cost at the transaction date and subsequently recorded at cost during the holding period.

Available-for-sale debt securities are initially recognized at par value at the transaction date. Accrued interest before the acquisition date (for debt securities with interest payment in arrears) or interest income received upfront awaiting amortization (for debt securities with interest payment in advance) is recorded in a separate account. Any discount or premium, which is the

difference between the cost and the amount equal to par value plus (+) accrued interest before the acquisition date (if any) or minus (-) interest received upfront awaiting amortization (if any), is also recorded in a separate account.

During the term of those securities in subsequent period, these securities are recorded at par value, and the discount/premium (if any) is amortized into the consolidated income statement using the straight-line method over the estimate remaining term of securities. The interest received during the securities term is recorded as follows: accumulative interest income before the purchasing date is recorded as a decrease from the cost of such securities and the same amount is credited into the accrued interest income; accumulative interest income after the purchasing date is recognized as the Bank's income on an accrual basis. Interest received in advance is recorded as income from securities investment using the straight-line method over the period of securities investment.

Periodically, available-for-sale securities are subject to impairment review. Provisions for securities that are stipulated in the scope of Circular 31 (as described in the summary of significant accounting policies for "Provision for credit losses") are made in accordance with Decree 86. Provisions for impairment of securities that are not stipulated in the scope of Circular 31 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recorded in the consolidated income statement as "Net gain/(loss) from investment securities".

Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities that the Bank and/or its subsidiaries purchases for investment purposes to gain interest and the Bank and/or its subsidiaries has intention and capacity to hold the securities until maturity. Held-to-maturity securities have determinable value and fixed maturity dates. In case of being sold before maturity, they will be reclassified as trading or available-for-sale securities. Held-to-maturity investment securities are recognized similarly to available-for-sale debt securities.

Periodically, held-to-maturity securities are subject to impairment review. Provisions for securities that are fallen within the scope of Circular 31 (as described in the summary of significant accounting policies for "Provision for credit losses") are made in accordance with Circular 86. Provisions for impairment of securities that are not fallen within the scope of Circular 31 are made when their carrying values are higher than their market values determined in accordance with prevailing accounting regulations. Provision for impairment is recorded in the consolidated income statement as "Net gain/(loss) from investment securities".

10.3. Reclassification

According to Official Letter No. 2601/NHNN-TCKT dated 14 April 2009 by the SBV, reclassification after the transaction date is made only once for each item of investment securities. In special cases or in case a large number of securities have to be reclassified (greater than or equal to 50% of the total value of the portfolio), the Bank will disclose the effect of reclassification on total assets, liabilities, equity, income and expenses of the Bank in the consolidated financial statements.

10.4. Other long-term investments

Other long-term investments represent the capital investments of the Bank and/or its subsidiaries in other enterprises at which the Bank and/or its subsidiaries either owns less than 11% of the voting rights and is a founding shareholder; or a strategic partner; or is capable of controlling, to some extent, the process of initiating and approving financial and operating policies of the investees, which is evidenced by a written agreement on delegating personnel for representation in the Board of Directors/Board of Management. These investments are initially recognized at cost at the transaction date and always carried at that cost during the subsequent holding period.

10.5. Provision for impairment of capital contribution, long-term investments

Provision for impairment of investments in capital contribution, long-term investments are made when the investee is operating at loss in accordance with prevailing accounting regulations.

Provision for impairment of capital contribution, long-term investments are recognized as an operating expense in the consolidated income statement. In case an investment is made in listed shares or the fair value of an investment is reliably determined, the provision is made based on the market value of the stock (similar to the provision for impairment of trading securities).

10.6. Recognition

The Bank and/or its subsidiaries recognizes investment securities and other investments at the date when the Bank and/or its subsidiaries performs the contractual terms (transaction-date based policy). Investment securities and other investments are initially recognized at cost. After initial recognition, investment securities and other investments are recognized under the above accounting policies.

10.7. Derecognition

Investments in securities are derecognized when the rights to receive cash flows from the investments end or when the Bank and/or its subsidiaries transfers to the buyer the significant risks and rewards associated with the ownership of these investments.

11. Repurchase and Reverse Repurchase Agreements

Securities sold under agreements to be repurchased at a specific date in the future (repos) are recorded in the consolidated financial statements. The corresponding cash received from these agreements is recognized in the consolidated statement of financial position as a borrowing and the difference between the sale price and the repurchase price is allocated to the consolidated income statement over the agreement validity period using the straight-line method based on the contractual interest rate.

Securities purchased under agreements to be resold at a specific date in the future (reverse repos) are not recognized in the consolidated financial statements. The corresponding cash paid under these agreements is recognized in the consolidated statement of financial position as a loan and the difference between the purchase price and resale price is amortized into the consolidated

income statement over the agreement validity period using the straight-line method based on the contractual interest rate.

12. Trust activities and trusted funds

The value of trusted funds is recorded when the trust contracts have been signed and trusted funds have been realised. Rights and obligations of the trustor and trustee relating to profit and profit sharing, trust fees, other rights and obligations are in compliance with the terms of the signed contracts. The assets that are held under custody services are not considered as assets of the Bank and/or its subsidiaries and therefore, they are not recognized in the consolidated statement of financial position of the Bank.

13. Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed asset comprises all the Bank and/or its subsidiaries purchase price plus any directly attributable costs of bringing the asset to working conditions for its intended use.

Costs related to additions and improvements are capitalized and expenditures for maintenance and repairs are charged to the consolidated income statement when incurred. When assets are sold or disposed, their cost and accumulated depreciation are written off from the consolidated statement of financial position and any gains or losses resulting from their disposals are recorded in the consolidated income statement.

14. Intangible fixed assets

Intangible assets are stated at cost less accumulated amortization. The cost of an intangible asset comprises all the Bank's and/or its subsidiaries expenditures paid to acquire the asset until it is put into use.

Expenditures for improvements of intangible assets are capitalized. The expenditures related to intangible assets incurred after initial recognition and evaluated with certainty, increasing the economic benefits of the intangible assets compared to the initial activity level, are capitalized.

Other expenditures related to intangible fixed assets incurred after initial recognition are charged to the consolidated income statement. When intangible assets are sold or disposed, their cost and accumulated amortization are written off and any gains or losses resulting from their disposals are recorded in the consolidated income statement.

15. Leasing

A lease is classified as a finance lease when significant rights and risks relating to ownership of the leased item are transferred to the lessee. All leases other than finance leases are classified as operating leases.

Operating lease assets are recognized off the consolidated statement of financial position. Rentals under operating leases are recorded in "Operating expenses" on a straight-line basis over the lease term.

16. Depreciation and amortization

Depreciation and amortization of tangible fixed assets and intangible assets are calculated on a straight-line basis over the estimated useful lives of the assets as follows:

<u>Assets</u>	<u>Estimated useful lives (Years)</u>
Buildings and structures	05 - 40
Machinery and equipment	03 - 07
Motor vehicles and transmission equipment	06 - 07
Management tools, equipment and other tangible fixed assets	03 - 06
Computer software and other intangible assets	02 - 05

Land use rights are not amortized if they are granted by the Government of Vietnam for an indefinite term. Land use rights with definite term are amortized over the granted term.

17. Prepaid expenses

Prepaid expenses include actual expenses that have arisen but are related to the results of production and business activities of many accounting periods. Prepaid expenses comprise prepaid office rentals and other prepaid expenses.

Office rentals represent the office rental paid in advance. Prepaid office rental is allocated to the consolidated income statement using the straight-line method over the rental period.

Other prepaid expenses include repair, maintenance costs for assets, costs of tools and supplies issued for consumption prepaid service charges and other prepaid expenses, which are expected to provide future economic benefits to the Bank. These expenses are capitalized as prepaid expenses and are allocated to the consolidated income statement using the straight-line method over the period of three years or less in accordance with prevailing accounting regulations.

18. Receivables

Receivables other than those from credit activities in the Bank's operation are initially recognized at cost and subsequently recorded at cost. Other receivables are subject to impairment review based on the overdue status of the outstanding receivables or based on the expected loss for the following cases: institutional debtors who have fallen into bankruptcy or have been in the process of dissolution; or individual debtors who are missing, escaping, prosecuted, on trial or passed away even though receivables are not overdue. Provision expense incurred is recorded as "Operating expenses" in the consolidated income statement during the period.

Provision rates for doubtful receivables are applied in accordance with the prevailing accounting regulations.

19. Other provisions

Other provisions are recognized when the Bank and its subsidiaries has a present obligation as a result of a past event, and it is probable that the Bank and its subsidiaries will be required to settle that obligation. Other provisions are measured at the management's best estimate of the expenditure required to settle the obligation at the end of the accounting period.

20. Capital and reserves

20.1. Common shares

Common shares are classified as owners' equity.

20.2. Share premium

When capital is received from shareholders, the difference between selling price and par value is recorded as share premium in owners' equity. Incurred expenses that directly relate to the issuance of common shares are recognized as a decrease in share premium.

20.3. Treasury shares

When issued shares are repurchased, the aggregate amount paid, including expenses that directly relate to the repurchase of shares, after deducting taxes, is recorded as treasury shares and stated as a decrease in owners' equity.

20.4. Reserves

The bank makes provisions for funds as a percentage of profit after tax in accordance with Law on Credit Institutions No. 32/2024/QH15 and Decree 93/2017/ND-CP dated 25 July 2017. Accordingly, Reserves are used for specific purposes and are appropriated from the Bank's profit after tax based on the regulated ratios in the following sequence:

- Supplementary charter capital reserve: 10% of profit after tax but not exceeding the Bank's charter capital;
- Financial reserve fund: 10% of profit after tax;
- Bonus fund for the Board of Management, bonus and welfare fund are established in accordance with the decision of the General Shareholders' Meeting;
- Investment and development fund and other reserves: established in accordance with current regulations and the Decisions of the General Shareholders' Meeting.

Reserves at the subsidiaries are made under the Bank's policy, except for those for the following subsidiaries, which are made in accordance with relevant legal regulations:

- VietinBank Securities Joint Stock Company and VietinBank Fund Management Company Limited: reserves are appropriated from their net profit after tax according to Circular No. 114/2021/TT-BTC dated 17 December 2021 ("Circular 114") annulling entirely Circular No. 146/2014/TT-BTC dated 06 October 2014 ("Circular 146") issued by the Ministry of Finance, as follows:

- The balance of the supplementary charter capital reserve built up according to the provisions of Circular 146 is used to supplement the charter capital in accordance with the provisions of Law on Securities No. 54/2019/QH14 dated 26 November 2019, related guiding documents and the Charter on organization and operation of these companies;
- The balance of the operational risk and financial reserve built up according to the provisions of Circular 146 is used to supplement the charter capital or in accordance with decision of the General Shareholders' Meeting, Board of Members or Chairman/President in accordance with the provisions of Law on Securities No. 54/2019/QH14, related guiding documents and the Charter on organization and operation of these companies, ensuring that the financial safety ratios are met as prescribed by securities law.
- VietinBank Insurance Joint Stock Corporation reserves are appropriated from its net profit after tax according to Decree No. 46/2023/ND-CP dated 01 July 2023 issued by the Government at the following rate:
 - Statutory reserve fund: 5% of profit after tax, not exceeding 10% of the Company's charter capital.
- VietinBank Lao Limited: statutory reserve fund, investment and development fund and other funds are appropriated from VietinBank Lao Limited's net profit after tax according to Amended Law on Commercial Banks on 07 December 2018 published by the Lao National Assembly at the following rates:
 - Statutory reserve fund: 10% of profit after tax;
 - Investment and development fund: established in accordance with the owner's approval;

21. Revenue and expenses

21.1. Interest and similar income/expenses

Interest income and interest expenses are recognized in the consolidated income statement on the accrual basis. The accrued interest income arising from the loans that are classified from group 2 to group 5 in accordance with Circular 31, accrued interest income on loans restructured and maintained as Standard loan groups (group 1) as prescribed in Circular 02/2023, Circular 06/2024, Circular 53/2024 and Decree 55 will not be recognized in the consolidated income statement. Accrued interest income on such loans is recorded as an off-balance-sheet item and is recognized in the consolidated income statement upon actual receipt.

Income and expense interest on securities investments are recorded on the accrual basis. Accrued interest income of securities that are fallen within the scope of Circular 31 and classified from group 2 upwards is not recognized in the consolidated income statement for the period and these accruals are recorded as off-balance-sheet items and are only recognized in the consolidated income statement upon actual receipt.

21.2. Insurance income and expenses

For direct premium insurance transactions

Gross direct premiums are recognized in accordance with Circular 67/2023/TT-BTC dated 02 November 2023 ("Circular 67"). Accordingly, gross direct premiums are recognized when one of

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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the following conditions is met: (1) the insurance contract has been entered into by the insurer and the insured, who have fully paid premiums; (2) there is evidence that the insurance contract has been signed and the insured has fully paid the premiums; and (3) when the insurance contract is concluded and the insurance business enterprise agrees with the policyholder on the premium payment period (including the grace period); and (4) when the insurance contract is concluded and there is an agreement with the policyholder on paying premiums in installments as per the insurance contract, the insurance enterprise or the branch of a foreign non-life insurance enterprise records revenue for the premium amount corresponding to the installment(s) that have arisen, and does not record revenue for premiums that are not yet due as per the agreement in the insurance contract.

The prepaid premium before the due date as at the end of the operating period is recognized in the "Other payables and liabilities" item in the consolidated statement of financial position. Premium return and premium reduction are considered as revenue deduction and must be recorded separately. At the period end, these amounts are net-off to gross written premium to calculate net written premium in the "Income from services" item in the consolidated income statement.

Insurance claim expenses are recognized when the claim documents are completed and approved by the authorized person. Claims that have not been approved as of the end of the financial year are considered unresolved and are recorded for the purpose of provisioning for claims.

The commission expense of each product is calculated at a percentage based on the direct premium stated in Circular 67. Commission expenses are allocated and recognized in the consolidated income statement corresponding with the premium earned.

For reinsurance transactions

(i) Reinsurance ceded

Reinsurance premium ceded under treaty reinsurance agreements are recognized when gross written premiums within the scope of the treaty agreements are recognized.

Reinsurance premium ceded under facultative reinsurance agreements is recognized when the facultative reinsurance agreement has been signed and when gross written premiums within the scope of the facultative agreements are recognized.

Claim receipts from ceded policies is recognized when there is evidence of liability on the part of the reinsurer.

Commission on reinsurance ceded and other related revenue are recognized corresponding to reinsurance premium ceded incurred during the period. At the end of accounting period, the reinsurance commission equivalent to the insurance commission which is not included in premium of the current period corresponding to unearned premium of reinsurance ceded shall be determined and allocated to the subsequent accounting periods based on registered method of unearned premium reserve.

(ii) Reinsurance assumed

Reinsurance assumed under treaty reinsurance arrangement:

- Revenue and expenses relating to reinsurance assumed under treaty reinsurance are recognized when the statement of account is received from the cedants.

Reinsurance assumed under facultative reinsurance arrangement:

- Reinsurance premium assumed is recognized when the facultative reinsurance has been signed and an account statement (for each facultative reinsurance agreement) has been received from the cedants;
- Claim expenses for reinsurance assumed is recognized when the liability under agreement arises and when a statement of account has been sent to the reinsurer; and;
- Commission on reinsurance assumed is recognized when the reinsurance premium is ceded and when a statement of account has been sent to the reinsurer. At the end of accounting period, the part of insurance commission which is not included in expense of the period corresponding to unearned premium of reinsurance assumed shall be determined and allocated to the subsequent periods based on registered method for unearned premium reserve.

21.3. Income from service charges and commissions

Income from service charges and commissions is recognized on the accrual basis.

21.4. Income from guarantee and L/C commitment activities

Income from guarantee and L/C commitment activities is recognized on the accrual and allocation bases.

21.5. Income from securities trading

Income from securities trading is recognized as difference between selling price and cost of securities sold.

21.6. Recognition of dividends and profits received

Cash dividends and profits received from investment and capital contributions activities are recorded in the consolidated income statement when the Bank's right to receive dividends and profits has been established. Share dividends, which are distributed from profits of joint stock companies, are recognized neither as an increase in the value of received shares nor financial income in the consolidated financial statements but are only used for tracking the increase in the number of shares according to Circular No. 200/2014/TT-BTC dated 22 December 2014 issued by the Ministry of Finance.

21.7. Revenue from other services

When the contract results can be determined reliably, revenue will be recognized based on the level of work completion. If the contract results cannot be determined reliably, revenue will only be recognized at the recoverable level of the recorded expenses.

21.8. Recognition of uncollectible receivables

According to Circular No. 16/2018/TT-BTC dated 07 February 2018 ("Circular 16") issued by the Ministry of Finance, receivables recognized as accrued income but subsequently assessed to be not recoverable or not yet recoverable at the due date are recorded, the Bank records a reduction in revenue if it is within the same financial year or records it as an expense if it is in a different financial year, and tracks it off-balance sheet to ensure collection. Upon actual receipt of these receivables, the Bank recognizes them as income according to the nature of the income in the consolidated income statement.

22. Taxation

Corporate income tax expense represents the sum of the current corporate income tax expense and deferred tax.

The current corporate income tax expense is based on taxable profit for the period. Taxable profit differs from profit before tax as reported in the consolidated income statement because it excludes items of income or expense that are taxable or deductible in other periods (including loss carried forward, if any) and it further excludes items that are never taxable or deductible.

Deferred tax is recognized on temporary differences between carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases. Deferred tax liabilities are generally recognized for all taxable temporary differences unless, they occurred from the initial recognition of an asset or liability of a transaction which has no impact on accounting profit or taxable profit/(loss) at the transaction date. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realized. Deferred tax is charged or credited to the consolidated income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to corporate income taxes levied by the same tax authority and the Bank intends to settle its current tax assets and liabilities on a net basis.

The determination of the current corporate income tax expense is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

23. Employee benefits

23.1. Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank and its subsidiaries in Vietnam by the Social Insurance Agency under the Ministry of Finance. The Bank and its subsidiaries in Vietnam are required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17.5% of the employee's monthly basic salary for their working period. In addition, the Bank shall pay a subsidy of 02 months of additional salary based on job positions with the average key performance indicator ("KPI") of the six consecutive months before retirement.

23.2. Severance allowance

According to Article 46 of Labour Code No. 45/2019/QH14 effective from 01 January 2021, the Bank and its subsidiaries in Vietnam are responsible to pay severance allowance for employees who have regularly been working at the Bank for 12 months or more, with half-month salary allowance for each working year (clauses 1, 2, 3, 4, 6, 7, 9 and 10 of Article 34 of the Labor Code), except for those who are eligible for receiving pension under the provisions of the Law on Social insurance and those as specified at Point e, Clause 1, Article 36 of the Labor Code 2019. The working period used for calculation of severance allowance excludes the period that employees benefit from unemployment insurance in accordance with regulations and the working period that employees have received severance allowance and retrenchment benefits from employers. The salary as the basis for calculation of severance allowance shall be the average salary of the last 06 months under the employment contract before the termination of labor contract.

23.3. Unemployment insurance

According to Circular No. 28/2015/TT-BLDTBXH dated 31 July 2015 ("Circular 28") of the Ministry of Labor - Invalids and Social Affairs guiding the implementation of Article 52 of the Employment Law 2013 and Decree No. 28/2015/ND-CP of the Government dated 12 March 2015 regulating the implementation of the Employment Law on unemployment insurance, from 01 January 2009, the Bank and its subsidiaries in Vietnam are obliged to pay unemployment insurance to eligible employees at 1% of their salary fund allocated for unemployment insurance.

24. Related parties

The parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making decisions on financial and operating policies. A party is considered as a related party with the Bank if:

- a. Directly or indirectly through one or more intermediaries, the party:
 - Controls, or is controlled by, or is under common control by the Bank (including the holding company and its subsidiaries);
 - Contributes capital to the Bank and therefore has significant influence over the Bank;
 - Has joint control over the Bank.
- b. The party is a joint venture or an associate of which the Bank is a venturer or an investor;
- c. The party has a key management personnel who is also a member of the Board of Directors, Board of Management, and Board of Supervisors of the Bank;
- d. The party is a close member of the family of any individual referred to in (a) or (c);
- e. The party is an entity that is, directly or indirectly controlled, jointly controlled or significantly influenced by, or of which, significant voting power in such entity resides with, any individual referred to in (c) or (d).

25. Technical reserves for insurance activities

The technical reserves are calculated in accordance with Circular 67 and Official Letter approved by the Ministry of Finance including Official Letter No. 2821/BTC-QLBH dated 13 March 2018 and Official Letter No. 2160/BTC-QLBH dated 28 February 2024. Details are as follows:

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Technical reserves for non-life insurance

Unearned premium reserve

For non-life insurance policies, reinsurance policies ("insurance policy"), unearned premium reserve is made based on the coefficient of the insurance policy duration on a daily basis, calculated on the premium amount.

Claim reserve

For incurred losses that have been reported, the original and reinsurance claim reserves, as well as the ceded reinsurance claim reserves, are established on a case-by-case basis, based on the liability level for the reported incurred losses.

- For incurred but not reported (IBNR) losses, reserves are established based on the statistical compensation rate over the previous three consecutive years. Specifically as follows:

$$\begin{array}{ccccc}
 \begin{array}{c} \text{Claims} \\ \text{reserve for} \\ \text{covered} \\ \text{losses that} \\ \text{have} \\ \text{occurred but} \\ \text{have not} \\ \text{been} \\ \text{reported or} \\ \text{claimed of} \\ \text{the current} \\ \text{fiscal year} \end{array} & = & \frac{\begin{array}{c} \text{Total indemnities for} \\ \text{losses that have} \\ \text{occurred but have not} \\ \text{been reported or} \\ \text{claimed of last three} \\ \text{consecutive fiscal} \\ \text{years} \end{array}}{\begin{array}{c} \text{Total indemnities} \\ \text{of last three} \\ \text{consecutive fiscal} \\ \text{years} \end{array}} & \times & \begin{array}{c} \text{Indemnity} \\ \text{of current} \\ \text{fiscal} \\ \text{year} \end{array} & \times & \frac{\begin{array}{c} \text{Net revenue} \\ \text{earned from} \\ \text{insurance} \\ \text{business of} \\ \text{current fiscal} \\ \text{year} \end{array}}{\begin{array}{c} \text{Net revenue} \\ \text{earned from} \\ \text{insurance} \\ \text{business of last} \\ \text{fiscal year} \end{array}} & \times & \frac{\begin{array}{c} \text{Average} \\ \text{deferred time} \\ \text{of claims of} \\ \text{current fiscal} \\ \text{year} \end{array}}{\begin{array}{c} \text{Average} \\ \text{deferred time} \\ \text{of claims of} \\ \text{last fiscal year} \end{array}}
 \end{array}$$

Including:

The compensation amount incurred in a financial year includes the actual compensation paid during the year plus the increase/decrease in claim reserves for incurred losses that fall under insurance liability but have not been settled by the end of the financial year.

The average deferred time of claims requests is the average time from when the loss occurs to when the Corporation receives the loss notification or the claim request file (measured in days).

Catastrophe reserve

According to Vietnamese Accounting Standard No. 19 on Insurance Contracts, losses that have not occurred and do not exist as of the financial statement reporting date (including catastrophe reserves) do not need to be reserved. However, the VietinBank Insurance Joint Stock Corporation follows the reserve policy as stipulated in Circular 67, where the catastrophe reserve is uniformly applied to all types of operations at 1% of the retained insurance premiums for the year.

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Technical reserve for health insurance

Mathematical reserve

- For health insurance and reinsurance contracts (insurance contracts) with a term of more than one year, the premium reserve is established based on the ratio of the insurance contract term per day on the basis of the insurance premium.
- For health insurance and reinsurance contracts (insurance contracts) covering cases of death or permanent disability, the premium reserve is established based on the ratio of the insurance contract term per day on the basis of the insurance premium.

Unearned Premium reserve

For health insurance and reinsurance contracts (insurance contracts) with a term of less than one year, the premium reserve is established based on the ratio of the insurance contract term per day on the basis of the insurance premium.

Claim reserve

For incurred losses that have been reported, the original and reinsurance claim reserves, as well as the ceded reinsurance claim reserves, are established on a case-by-case basis, based on the liability level for the reported incurred losses.

For incurred but not reported (IBNR) losses, reserves are established based on the statistical compensation rate over the previous three consecutive years. Specifically as follows:

$$\begin{array}{ccccccc}
 \begin{array}{c} \text{Claims} \\ \text{reserve for} \\ \text{covered} \\ \text{losses that} \\ \text{have} \\ \text{occurred but} \\ \text{have not} \\ \text{been} \\ \text{reported or} \\ \text{claimed of} \\ \text{the current} \\ \text{fiscal year} \end{array} & = & \begin{array}{c} \text{Total indemnities for} \\ \text{losses that have} \\ \text{occurred but have not} \\ \text{been reported or} \\ \text{claimed of last three} \\ \text{consecutive fiscal} \\ \text{years} \end{array} & \times & \begin{array}{c} \text{Indemnity} \\ \text{of current} \\ \text{fiscal} \\ \text{year} \end{array} & \times & \begin{array}{c} \text{Net revenue} \\ \text{earned from} \\ \text{insurance} \\ \text{business of} \\ \text{current fiscal} \\ \text{year} \end{array} & \times & \begin{array}{c} \text{Average} \\ \text{deferred time} \\ \text{of claims of} \\ \text{current fiscal} \\ \text{year} \end{array} \\
 & & \begin{array}{c} \text{Total indemnities} \\ \text{of last three} \\ \text{consecutive fiscal} \\ \text{years} \end{array} & & & & \begin{array}{c} \text{Net revenue} \\ \text{earned from} \\ \text{insurance} \\ \text{business of last} \\ \text{fiscal year} \end{array} & & \begin{array}{c} \text{Average} \\ \text{deferred time} \\ \text{of claims of} \\ \text{last fiscal year} \end{array}
 \end{array}$$

Including:

The compensation amount incurred in a financial year includes the actual compensation paid during the year plus the increase/decrease in claim reserves for incurred losses that fall under insurance liability but have not been settled by the end of the financial year.

The average deferred time of claim requests is the average time from when the loss occurs to when the Corporation receives the loss notification or the claim request file (measured in days).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
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Equalization reserve

Equalization reserve for health insurance is set up at 1% of retained premium in the period and recognized in catastrophe reserve account on the consolidated financial statement.

26. Offsetting

Financial assets and financial liabilities are offset and the net amounts are reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

The Bank is not allowed to offset reserves for direct insurance and assumed reinsurance against reserve for ceded reinsurance. Such reserves should be presented separately in the consolidated statement of financial position, in which unearned premiums reserve, claims reserve for direct insurance and assumed reinsurance and catastrophe reserve are recognized as liabilities in "Other payables and liabilities" item in the consolidated statement of financial position; while unearned premium reserve for outward reinsurance and claims reserve for ceded reinsurance are recognized as reinsurance assets in "Other assets" item in the consolidated statement of financial position.

V. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE STATEMENT OF FINANCIAL POSITION

1. TRADING SECURITIES

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Debt securities	1,421,898	1,708,606
- Government bonds	687,450	623,734
- Debt securities issued by other domestic credit institutions	600,343	808,448
- Debt securities issued by domestic economic entities	134,105	276,424
Equity securities	854,561	1,282,086
- Equity securities issued by other domestic credit institutions	285,375	295,703
- Equity securities issued by domestic economic entities	569,186	986,383
Other trading securities	50,000	-
Provison for trading securities	(117,286)	(191,817)
	2,209,173	2,798,875

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2. DERIVATIVES AND OTHER FINANCIAL ASSETS/(LIABILITIES)

	<i>Net book value</i>	
	<i>(at exchange rate as at the reporting date)</i>	
	<i>Assets</i>	<i>Liabilities</i>
	<i>VND million</i>	<i>VND million</i>
As at 30/06/2025		
1 - Currency derivative financial instruments	30	520,781
- Forward contracts	-	333,879
- Swap contracts	-	186,902
- Futures contracts	30	-
2 - Interest rate derivative financial instruments	-	120,800
As at 31/12/2024	-	-
1 - Currency derivative financial instruments	25,355	298,910
- Forward contracts	-	298,910
- Swap contracts	25,355	-
2 - Interest rate derivative financial instruments	-	117,286

3. LOANS TO CUSTOMERS

	<i>30 Jun 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Loans to domestic economic entities and individuals	1,874,885,335	1,703,097,921
Dicouted promissory notes and valuable papers	1,585,497	1,745,674
Finance leases	4,699,447	4,639,031
Payments made on behalf of customers	120,823	304,240
Loans by grants, investment trusts	1,714,732	1,752,217
Loans to foreign organizations and individuals	16,277,370	9,330,597
Other loans ^(*)	68,297	1,085,034
	1,899,351,501	1,721,954,714

(*) The figure reflects the receivables in the issuing payment letter of credit issuance operation, where there is an agreement clause allowing the beneficiary to be paid immediately due to the impact of the implementation of Circular 21/2024/TT-NHNN dated June 28, 2024, issued by state Bank of Vietnam.

3.1 Analysis of loan portfolio by quality

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Standard loans	1,856,246,092	1,677,704,259
Special mention loans	18,291,923	22,898,528
Sub-standard loans	4,831,518	2,817,030
Doubtful loans	4,781,500	4,824,119
Loss loans	15,200,468	13,710,778
	1,899,351,501	1,721,954,714

3.2 Analysis of loans portfolio by original term

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Short-term loans	1,254,566,673	1,137,144,961
Medium - term loans	102,081,278	99,036,675
Long-term loans	542,703,550	485,773,078
	1,899,351,501	1,721,954,714

**4. MOVEMENTS (INCREASE/DECREASE) IN PROVISIONS FOR CREDIT
LOSSES ON LOANS TO CUSTOMERS**

Movements in provisions for credit losses on loans to customers during the period are as follows:

	General provision	Specific provision	Total
<u>Current year</u>			
<i>Opening balance (01/01/2025)</i>	12,782,431	23,881,694	36,664,125
Provison made for the period	1,387,561	9,682,011	11,069,572
Provison used to write off bad debts for the period	-	(14,296,266)	(14,296,266)
<i>Closing balance (30/06/2025)</i>	14,169,992	19,267,439	33,437,431

Movements in provisions for credit losses on loans to customers during the previous period are as follows:

	General provision	Specific provision	Total
<u>Prior year</u>			
<i>Opening balance (01/01/2024) - Restated</i>	10,953,175	16,819,746	27,772,921
Provison made for the period	770,011	15,095,887	15,865,898
Provison used to write off bad debts for the period	-	(15,598,609)	(15,598,609)
<i>Closing balance (30/06/2024)</i>	11,723,186	16,317,024	28,040,210

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

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5. INVESTMENT SECURITIES

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Available -for - sale investment securities	208,230,784	188,423,441
<i>Debt securities</i>	<i>207,976,637</i>	<i>188,180,862</i>
- Government bonds	85,069,336	80,284,569
- Debt securities issued by other domestic credit institutions	119,811,602	104,824,865
- Debt securities issued by domestic economic entities	3,095,699	3,071,428
<i>Equity securities</i>	<i>376,615</i>	<i>376,615</i>
- Equity securities issued by domestic economic entities	376,615	376,615
<i>Provision for impairment of available -for-sale investment securities</i>	<i>(122,468)</i>	<i>(134,036)</i>
<i>Including: - Provision for impairment</i>	<i>-</i>	<i>-</i>
- General provision	(22,468)	(22,182)
- Specific provision	(100,000)	(111,854)
Held-to-maturity investment securities	19,478,172	26,183,712
<i>Debt securities</i>	<i>19,874,993</i>	<i>26,635,861</i>
- Government bonds	360,040	61,248
- Debt securities issued by other domestic credit institutions	19,000,000	26,000,000
- Debt securities issued by domestic economic entities	514,953	574,613
<i>Provision for impairment of held-to-maturity investment securities</i>	<i>(396,821)</i>	<i>(452,149)</i>
<i>Including: - Provisions for impairment</i>	<i>-</i>	<i>-</i>
- General provision	-	-
- Specific provision	(396,821)	(452,149)
	227,708,956	214,607,153

6. CAPITAL CONTRIBUTION, LONG-TERM INVESTMENTS

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Investments in joint ventures	4,004,046	3,706,673
Other long-term investments	234,462	234,462
Provisions for impairment of long-term investments	(7,335)	(7,291)
	4,231,173	3,933,844

Investment in joint venture at the end of the period are as follows:

	<i>30 June 2025</i>				<i>31 December 2024</i>			
	<i>Cost equivalent (USD)</i>	<i>Original cost converted to VND million</i>	<i>Net value of investment using equity method VND million</i>	<i>Proportion of ownership interest</i>	<i>Cost equivalent (USD)</i>	<i>Original cost converted to VND million</i>	<i>Net value of investment using equity method VND million</i>	<i>Proportion of ownership interest</i>
Indovina Bank Ltd	96,500,000	1,688,788	4,004,046	50%	96,500,000	1,688,788	3,706,673	50%
		1,688,788	4,004,046			1,688,788	3,206,452	

Indovina Bank Limited was established in Vietnam with the Head Office located in Ho Chi Minh

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City, whose main activity is providing banking services. This is a joint venture between the Bank and Cathay United Bank, a bank established in Taiwan. Indovina Bank Limited was granted Establishment and Operation License for Joint venture bank: No. 101/GP-NHNN dated 11 November 2019 (replacing Operation License for Joint venture bank No. 08/NH-GP dated 29 October 1992) for the duration of 99 years with the charter capital of USD 193,000,000.

7. BORROWINGS FROM THE GOVERNMENT AND the SBV

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>triệu đồng</i>	<i>triệu đồng</i>
Borrowings from the SBV	15,390,315	9,512,869
Loans under credit contracts	385,357	488,053
Discounted loans on valuable papers	14,998,000	9,017,858
Borrowings for grant to State-owned enterprises	6,958	6,958
Current accounts held by the State Treasury	123,137,198	144,771,235
<i>In VND</i>	<i>123,137,198</i>	<i>144,771,235</i>
	138,527,513	154,284,104

8. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Deposits from other credit institutions		
Demand deposits	227,903,577	204,152,599
- In VND	138,583,308	109,006,271
- In foreign currencies	89,320,269	95,146,328
Term deposits	63,473,398	49,367,028
- In VND	46,270,000	47,710,000
- In foreign currencies	17,203,398	1,657,028
Borrowings from other credit institutions	15,608,682	22,621,628
- In VND	8,819,524	18,616,851
<i>borrowings</i>	-	11,184,500
- In foreign currencies	6,789,158	4,004,777
	306,985,657	276,141,255

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9. DEPOSITS FROM CUSTOMERS

	30 June 2025 VND million	31 December 2024 VND million
Demand deposits	417,102,964	383,283,642
- Demand deposits in VND	342,027,200	321,102,773
- Demand deposits in foreign currencies	75,075,764	62,180,869
Term deposits	1,291,631,636	1,207,204,483
- Term deposits in VND	1,247,606,642	1,166,855,835
- Term deposits in foreign currencies	44,024,994	40,348,648
Deposits for specific purposes	5,923,077	9,979,781
- Deposits for specific purposes in VND	5,065,897	9,115,853
- Deposits for specific purposes in foreign	857,180	863,928
Margin deposits	5,300,082	5,848,779
- Margin deposits in VND	4,864,594	5,457,579
- Margin deposits in foreign currencies	435,488	391,200
	1,719,957,759	1,606,316,685

10. VALUABLE PAPERS ISSUES

Unit: VND Million

Type of valuable papers	Bill	Bearer bonds	Book-entry bonds	Certificate of deposits	Total
Term under 12 months					
<i>Par value</i>	153	-	-	153,687,463	153,687,616
<i>Discount</i>	-	-	-	-	-
<i>Premium</i>	-	-	-	-	-
Term from 12 months to under					
<i>Par value</i>	-	166	-	12,404,049	12,404,215
<i>Discount</i>	-	-	-	-	-
<i>Premium</i>	-	-	-	-	-
Term over 5 years					
<i>Par value</i>	-	-	61,862,020	-	61,862,020
<i>Discount</i>	-	-	-	-	-
<i>Premium</i>	-	-	75	-	75
Total	153	166	61,862,095	166,091,512	227,953,926

11. OTHER PAYABLES AND LIABILITIES

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Interest and fees payable	25,544,925	21,026,493
Deferred corporate income tax payable	-	-
Payables:	18,857,684	18,301,502
<i>Internal payables</i>	<i>2,579,344</i>	<i>3,869,525</i>
<i>External payables</i>	<i>16,278,340</i>	<i>14,431,977</i>
Other risk provisions:	2,721,618	2,763,419
<i>- Other risk provisions (operational risk provisions, etc., excluding other provisions for on-balance sheet assets)</i>	<i>2,721,618</i>	<i>2,763,419</i>
Bonus and welfare fund	2,607,635	3,800,685
	49,731,862	45,892,099

12. THE BANK'S OBLIGATIONS TO THE STATE BUDGET

	<i>Opening balance</i>	<i>Movement in the period</i>		<i>Closing balance</i>		
	<i>VND million</i>	<i>Payable VND million</i>	<i>Paid VND million</i>	<i>Payable VND million</i>	<i>Receivable VND million</i>	<i>Total VND million</i>
Value added tax	98,927	499,239	493,707	110,263	(5,804)	104,459
Corporate income tax	3,336,933	3,665,793	4,425,942	2,578,005	(1,221)	2,576,784
Other taxes	158,876	1,046,223	1,084,758	120,796	(455)	120,341
	3,594,736	5,211,255	6,004,407	2,809,064	(7,480)	2,801,584

The bank is obligated to pay corporate income tax at a rate of 20% on total taxable profits. The bank's tax reports are subject to examination by tax authorities. Due to the application of laws and tax regulations to various types of transactions that can be interpreted in different ways, the tax amounts presented in the financial statements may be subject to change based on the final decision of the tax authorities.

Current Corporate Income Tax

Current corporate income tax payable is determined based on the taxable income of the current year. Taxable income differs from the income reported in the consolidated income statement because taxable income does not include income items that are taxable or deductible in different years due to differences between the bank's accounting policies and current tax regulations, and also does not include items that are non-taxable or non-deductible for tax purposes. The bank's current corporate income tax payable is calculated at the tax rates enacted by the end of the financial year.

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13. CAPITAL AND RESERVES

13.1 Movements in owner's equity

Unit: VND Million

	Opening balance	Movement in the period		Closing balance
		Increase	Decrease	
1. Contributed capital/charter capital	53,699,917	-	-	53,699,917
2. Share Premium	8,974,677	-	11	8,974,666
3. Treasury shares	-	-	-	-
4. Revaluation surplus	-	-	-	-
5. Foreign exchange differences	243,105	166,254	-	409,359
6. Investment and development fund	512,455	23,544	-	535,999
7. Financial reserve fund	15,034,273	3,360	-	15,037,633
8. Charter capital supplementary reserve fund	9,770,029	-	-	9,770,029
9. Other equity funds	-	-	-	-
10. Retained earnings	58,390,118	15,088,760	575,715	72,903,163
11. Non-controlling interests	970,729	162,632	31,081	1,102,280
12. Other capital	909,405	483,745	-	1,393,150
	148,504,708	15,928,295	606,807	163,826,196

The indicators for the Investment and Development fund, Financial reserve fund: Increase due to fund appropriations during the period and foreign exchange differences in financial statement conversion.

Other capital: Increase due to stock dividend by CTS.

The indicator for Retained Earnings: Increase from after-tax profit during the period; Decrease due to fund appropriations during the period .

The indicator for Non-controlling Interests: Increase from after-tax profit of subsidiaries; Decrease due to fund appropriations during the period of subsidiaries.

Details of the Bank's shares:

	30/06/2025 VND Million	31/12/2024 VND Million
Number of registered shares for issue	5.369.991.748	5.369.991.748
Number of shares sold to the public during the period	5.369.991.748	5.369.991.748
- Ordinary shares	5.369.991.748	5.369.991.748
- Preferred shares	-	-
Number of shares repurchased	-	-
- Ordinary shares	-	-
- Preferred shares	-	-
Number of shares outstanding	5.369.991.748	5.369.991.748
- Ordinary shares	5.369.991.748	5.369.991.748
- Preferred shares	-	-
Par value of share in circulation (VND)	10.000	10.000

VI. ADDITIONAL INFORMATION FOR ITEMS PRESENTED IN THE INCOME STATEMENT

14. INTEREST AND SIMILAR INCOME

	<i>Financial period from 01/01/2025 to 30/06/2025</i>	<i>Financial period from 01/01/2024 to 30/06/2024</i>
	<i>VND Million</i>	<i>VND Million</i>
Interest from deposits	4,339,491	2,399,149
Interest from loans to customers	56,853,480	53,430,368
Interest from debt securities:	4,425,211	3,457,369
- Interest income from trading securities	2,525	14,963
- Interest income from investment securities	4,422,686	3,442,406
Income from guarantee services	921,231	909,202
Interest income from finance leases	210,656	244,159
Other income from credit activities	810,546	649,997
	67,560,615	61,090,244

15. INTEREST AND SIMILAR EXPENSES

	<i>Financial period from 01/01/2025 to 30/06/2025</i>	<i>Financial period from 01/01/2024 to 30/06/2024</i>
	<i>VND Million</i>	<i>VND Million</i>
Interest expenses on deposits	29,980,881	25,772,644
Interest expenses on borrowings	746,841	1,472,239
Interest expenses on valuable papers issued	5,105,809	3,132,825
Expenses on other credit activities	409,253	199,413
	36,242,784	30,577,121

16. NET GAIN/(LOSS) FROM TRADING SECURITIES

	<i>Financial period from 01/01/2025 to 30/06/2025</i>	<i>Financial period from 01/01/2024 to 30/06/2024</i>
	<i>VND Million</i>	<i>VND Million</i>
Income from trading securities	395,757	56,947
Expenses on trading securities	(18,875)	(1,543)
Provision resersed for impairment of trading securities	74,532	7,498
Net gain from trading securities	451,414	62,902

17. NET (LOSS)/GAIN FROM INVESTMENT SECURITIES

	<i>Financial period from 01/01/2025 to 30/06/2025 VND Million</i>	<i>Financial period from 01/01/2024 to 30/06/2024 VND Million</i>
Income from trading investment securities	46,585	6,719
Expenses on trading investment securities	(2,004)	(2,061)
Provision reserved for impairment of investment securities	76,970	(144,368)
Net loss/gain from trading investment securities	121,551	(139,710)

18. INCOME FROM CAPITAL CONTRIBUTION, EQUITY INVESTMENTS

	<i>Financial period from 01/01/2025 to 30/06/2025 VND Million</i>	<i>Financial period from 01/01/2024 to 30/06/2024 VND Million</i>
From equity investment securities	9,504	6,627
From capital contribution and long-term investments	28,245	429
Share from net profit/loss under the method of equity investment in Joint ventures	202,470	203,312
	240,219	210,368

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19. OPERATING EXPENSES

	<i>Financial period from 01/01/2025 to 30/06/2025 VND Million</i>	<i>Financial period from 01/01/2024 to 30/06/2024 VND Million</i>
Taxes, fees and charges	13,271	13,026
Staff cost:	6,764,361	5,833,669
In which:		
- <i>Salaries and allowances</i>	5,471,026	4,957,849
- <i>Salary-based expenses</i>	562,498	300,675
- <i>Other allowance</i>	5,569	1,979
- <i>Other expenses</i>	725,268	573,166
Expenses for fixed assets	1,361,318	1,254,999
- <i>Depreciation and amortisation expenses</i>	494,568	480,483
- <i>Others</i>	866,750	774,516
Expenses for operating management	2,633,176	2,127,488
In which:		
- <i>Per diems</i>	95,545	89,373
- <i>Expenses for union activities</i>	10,127	3,896
- <i>Others</i>	2,527,504	2,034,219
Insurance premium for customer's desposits	603,811	541,035
Other provision expenses	(9,554)	110,983
	11,366,383	9,881,200

VII. OTHER INFORMATION

20. CASH AND CASH EQUIVALENTS

Cash and cash equivalents on the consolidated cash flow statement include items on the consolidated statement of financial position as follows:

	<i>30 June 2025 VND million</i>	<i>31 December 2024 VND million</i>
Cash and cash equivalents	11,463,197	11,147,549
Balances with the SBV	13,692,083	34,431,657
Current deposits at other credit institutions	255,012,609	243,465,753
Placements with other credit institutions with terms not exceeding 3 months	109,146,419	84,213,349
Securities with recovery of maturity term not exceeding 3 months from the date of purchase	1,860,040	61,248
	391,174,348	373,319,556

**21. OTHER OFF-BALANCE SHEET ACTIVITIES WHERE BANK BEARS
SIGNIFICANT RISKS (MATERIAL)**

	<i>30 June 2025</i>	<i>31 December 2024</i>
	<i>VND million</i>	<i>VND million</i>
Contigent liabilities	209,631,644	190,252,618
Credit guarantees	22,876,327	15,390,290
Letters of Credit (L/C) commitments	65,355,959	66,691,329
Other guarantees	121,399,358	108,170,999
Commitments	926,424,792	867,340,987
Foreign exchange transaction commitments	844,486,002	804,229,724
Other commitments	81,938,790	63,111,263
	1,136,056,436	1,057,593,605

22. RELATED PARTY TRANSACTIONS AND BALANCES

Details of significant transactions with related parties during the period are as follows:

Related parties	Relationship	Transactions	From 01/01/2025 to 30/06/2025 VND Million	From 01/01/2024 to 30/06/2024 VND Million
The State Bank of Vietnam	Direct owner and management agency	Decrease in deposits at the SBV	(20,739,574)	(11,616,597)
		Increase in loans from the SBV	5,877,446	(153,601)
Indovina Bank Limited	Joint venture	Deposit interest income	81,132	297
		Deposit interest expense	65,700	14
Bank of Tokyo-Mitsubishi UFJ	Stragic shareholder	Deposit interest income	24	34
		Deposit interest expense	2,135	4,399
		Loan interest expense	-	6,078

Details of significant balances with related parties as at reporting date are as follows:

Related parties	Relationship	Transactions	Receivables/Payables	
			30/06/2025 VND Million	31/12/2024 VND Million
The State Bank of Vietnam	Direct owner and management agency	Deposits of the bank at the SBV	13,692,083	34,431,657
		Loans from the SBV	(15,390,315)	(9,512,869)
Indovina Bank Limited	Joint venture	Deposits of the Bank at related parties	11,622,074	14,150,662
		Deposits of related parties at the Bank	(8,526,587)	(10,733,469)
		Interest receivable	11,451	27,735
		Interest payable	(11,038)	(29,394)
Bank of Tokyo-Mitsubishi UFJ	Stragic shareholder	Deposits of the Bank at related parties	28,299,675	37,680,280
		Deposits of the related party at Bank	(13,348)	(327,300)
		Interest receivable	0	193

**23. CONCENTRATION OF ASSETS, LIABILITIES AND OFF-BALANCE-SHEET
ITEMS BY GEOGRAPHICAL REGIONS**

	<i>Total loan balance</i>	<i>Total deposits</i>	<i>Credit commitments</i>	<i>Derivative financial instruments (Defference between debit- credit)</i>	<i>Trading investment in securities (Defference between debit- credit)</i>
	<i>VND Million</i>	<i>VND Million</i>	<i>VND Million</i>	<i>VND Million</i>	<i>VND Million</i>
Domestic	1,892,693,981	2,126,830,567	209,299,676	(641,551)	230,194,664
Oversea	10,364,042	7,641,365	331,968	-	360,040
	1,903,058,023	2,134,471,932	209,631,644	(641,551)	230,554,704

24. EXPLANATION OF CONSOLIDATED PROFIT FLUCTUATIONS

Consolidated profit after tax in the first 6 months of 2025 of VietinBank increased by VND 4,343 billion (equivalent to an increase of 80%) compared to the same period in 2024, mainly due to pre-tax profit in the first 6 months of 2025 increasing compared to the same period in 2024 by VND 5,347 billion (equivalent to 79%), specifically:

	Impacts	
	VND Billion	%
Items with major fluctuations		
Increase in net income from other activities	1.086	16%
Increase in operating expenses	(773)	-11%
Decrease in credit risk provision expenses	4.844	72%
Total	5.157	77%

Detailed explanations:

Increased net profit from other activities: due to the Bank continuing to focus resources, flexibly and synchronously implementing measures to accelerate debt recovery across the system.

Increased operating costs: due to the Bank investing in digital transformation initiatives and operating costs that directly promote business.

Decreased credit risk provisioning costs: VietinBank always proactively identifies risks, classifies debts, and makes full provision for credit risk in accordance with the regulations, especially in QII/2025, the Bank has improved debt quality (the bad debt ratio is at 1.31%, decreasing from 1.57% of the same period in 2024).

VIII. FINANCIAL RISK MANAGEMENT

25. FINANCIAL RISK MANAGEMENT POLICIES RELATED TO FINANCIAL INSTRUMENTS

Under the guidance of the SBV on enhancing the role of risk management in credit institutions, the Bank continues implementing risk management policies for its entire business.

In order to achieve sustainable development, improve operational efficiency and competitive advantage, the Bank has always been one of the pioneers in reseaning and applying international practices to its governance. In particular, the Bank met requirements of the SBV in accordance with Basel II with the standards of risk management, capital management, proving information, and has focused on internal and enhancing calculation method according to Basel II. The application of advanced practices in risk management is a prerequisite for the integration and expansion of the Bank's influence in the global financial banking industry. The Bank has always played a pioneering role in modernizing the banking system.

In 2025, the Bank continued actively studying and implementing projects in order to comprehensively enhance the management of all types of risks. Moreover, the Bank has continued to complete its policy system in five (5) levels, namely: (i) General policy regime, (ii) Detailed policies, (iii) Guidance documents on policies, (iv) General processes, and (v) Detailed processes for each product in order to ensure consistency and overall effectiveness of the policy system.

To manage risk related to financial instruments, the Bank has issued regulations, procedures, detailed guidance, sets of indicators and internal limits as well as strictly managed the balance between assets and liabilities, tightly controlled business activities' growth and credit quality; complied with limitation and safety ratios for operation; requirements for risk management as stipulated in Circular No. 22/2019/TT-NHNN, Circular No. 41/2016/TT-NHNN, Circular No. 13/2018/TT-NHNN and amendments and supplements of the SBV and the regulatory authorities; which has gradually met requirements for risk management.

The Bank's financial instruments are detailed in the table below:

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CLASSIFICATION OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

	Carrying value						
	Fair value through profit or loss	Held-to- maturity	Loans and receivables	Available for sale	Other Assets and liabilities measured at amortized cost	Total carrying value	Fair value
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Cash, gold, silver and gemstones	-	-	11,463,197	-	-	11,463,197	11,463,197
Balances with the SBV	-	-	13,692,083	-	-	13,692,083	(*)
Placement with and loans to other CIs	-	-	428,879,341	-	-	428,879,341	(*)
Trading securities	2,326,459	-	-	-	-	2,326,459	(*)
Derivatives and other financial assets	-	-	-	-	-	-	(*)
Loans to customers	-	-	1,899,351,501	-	-	1,899,351,501	(*)
Available-for-sale investment securities	-	-	-	208,353,252	-	208,353,252	(*)
Held-to-maturity investment securities	-	19,874,993	-	-	-	19,874,993	(*)
Other long-term investments	-	-	-	234,462	-	234,462	(*)
Other financial assets	-	-	45,838,551	-	-	45,838,551	(*)
	2,326,459	19,874,993	2,399,224,673	208,587,714	-	2,630,013,839	
Borrowings from the Government and the SBV	-	-	-	-	138,527,513	138,527,513	(*)
Deposits and borrowings from other CIs	-	-	-	-	306,985,657	306,985,657	(*)
Deposits from customers	-	-	-	-	1,719,957,759	1,719,957,759	(*)
Derivatives and other financial liabilities	641,551	-	-	-	-	641,551	(*)
Grants, trusted funds and borrowings where the bank bears risks	-	-	-	-	2,163,542	2,163,542	(*)
Valuable papers issued	-	-	-	-	227,953,926	227,953,926	(*)
Other financial liabilities	-	-	-	-	44,201,180	44,201,180	(*)
	641,551	-	-	-	2,439,789,577	2,440,431,128	

(*) The bank has not assessed the fair value of these financial assets and financial liabilities as of the reporting date because Vietnamese Accounting Standards and current regulations have not yet provided specific guidance on determining the fair value of financial assets and financial liabilities.

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25.1. Interest rate risk:

Interest rate risk is the possibility of the Bank's income or asset value being affected when market interest rate fluctuates.

Interest rate risk of the Bank can derive from investment activities, capital mobilization and lending activities.

The re-pricing period for effective interest rate is the remaining period from the date of consolidated financial statements to the nearest interest rate re-pricing term of assets and capital. The following assumptions and conditions have been adopted in the analysis of the re-pricing period of the Bank's assets and liabilities:

- ▶ Cash, gold and gemstones; balances with the SBV; fixed assets; capital contribution, long-term investments are classified as non-interest-bearing items;
- ▶ The effective interest rate re-pricing term of trading securities is calculated on the basis of the effective interest rate re-pricing term specified in contracts/agreements or in accordance with regulations on expected holding period of the bank, depending on whichever comes earlier;
- ▶ The effective interest rate re-pricing term of placements with and loans to other credit institutions; investment securities; loans to customers; other assets; borrowings from the Government and the SBV; deposits and borrowings from other credit institutions; deposits from customers; valuable papers issued; grants, trusted funds and borrowings where the Bank bears risks are determined as follows:
 - Items with fixed interest rate during the contractual period: the effective interest rate re-pricing term is determined from the reporting date to maturity date;
 - Items with floating interest rate: the effective interest rate re-pricing term is determined from the reporting date to the nearest interest rate re-pricing date;
 - Accrued income, accrued expenses: Classified as non-interest-bearing items.

The Bank's interest rate risk policies

For interbank lending activities (short-term), investment interest rate is based on the fluctuation of the market and the Bank's cost of capital. The interbank loans are usually short-term (of less than 3 months).

Based on forecasts on the market fluctuations of interest rate and its capital balancing ability, the Bank will make appropriate investment decisions. In case that interest rates are forecasted to go down, the Bank will strengthen long-term investments to increase profitability. In contrast, if interest rates are forecasted to go up, the Bank will increase short-term investments.

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For capital mobilization activities, interest rates are determined based on the market price, the business orientation of the Bank's management, the Bank's capital balance and regulations of the SBV. The Bank's mobilized capital mainly has a short interest rate re-pricing term.

For lending activities, the Bank determines lending interest rates based on the principle of sufficient coverage for cost of capital, management expenses, risk considerations, collaterals' values and market interest rate to ensure the Bank's competitiveness as well as the efficiency. The Head Office regulates the lending interest rate floor for each period; branches can decide lending interest rates of each customer for each period based on credit risk analysis and assessment provided that these rates are not below the regulated floor rate and the annual budgeted profit is assured. Besides, due to the capital structure mainly comprising funds with short interest rate re-pricing terms, the Bank requires that all long-term and medium-term loans' interest must be floating (interest rates are not fixed during the whole loans' periods) to minimize possible arising interest rate risk.

Interest rate risk management

The Bank manages interest rate risk at 2 levels: transaction level and portfolio level.

Interest rate risk management at the portfolio level

- ▶ The Bank has issued regulations and procedures for managing interest rate risk on the banking book, which stipulate the principles for managing interest rate risk on the banking book through the process of identification, measurement, control and monitoring of risk to ensure the balance between the interest rate risk control/prevention goal and the maximization of net interest income as well as the economic value of equity in the business operations of the Bank.
- ▶ The Bank has completed the design, officially implemented and continuously upgraded the Assets-Liabilities Management ("ALM") software system, which runs to the transaction level under international practices, automatically generates reports on re-evaluation term differences by nominal terms and by behaviours, scenarios analysis reports on interest rate increase/decrease situations, etc. in order to facilitate the Bank's interest rate risk management activities.
- ▶ The Bank adjusts the re-pricing term of assets to the re-pricing term of capital, ensuring the re-evaluation term difference is within the permitted limit.

Interest rate risk management at the transaction level

- ▶ All credit contracts are required to include terms relating to interest rate risk hedging provisions to ensure that the Bank can take initiative in coping with fluctuations of the market; lending interest rate must be set to accurately reflect the Bank's actual cost of capital.

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- ▶ Management through the Fund Transfer Pricing (FTP) tool: the Bank has completed and continuously improves the internal Fund Transfer Pricing system (FTP), which has enhanced the Bank's centralized management of capital and interest rate. Depending on the Bank's business orientation and the market movements, the Head Office can adjust FTP for each type of customers or products, etc., giving financial signals for the business units to determine their lending/capital mobilization rates applicable to each transaction.

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INTEREST RATE RISK AS AT JUNE 30, 2025

Unit: VND Million

	Non interest bearing	Overdue		Up to 01 months	Current					Total
		Over 03 months	Up to 03 months		From 01 to 03 months	From 03 to 06 months	From 06 to 12 months	From 01 to 05 years	Over 05 years	
Assets										
Cash, gold, silver and gemstones	11,463,197	-	-	-	-	-	-	-	-	11,463,197
Balances with the SBV	13,692,083	-	-	-	-	-	-	-	-	13,692,083
Placements with and loans to other CIs	-	-	-	324,111,288	37,731,118	28,998,173	38,038,762	-	-	428,879,341
Trading securities (*)	-	-	-	2,326,459	-	-	-	-	-	2,326,459
Derivatives and other financial assets	-	-	-	-	-	-	-	-	-	-
Loans to customers (*)	130,165	24,813,486	18,291,923	471,800,824	498,732,072	593,511,620	188,663,173	101,667,242	1,740,996	1,899,351,501
Investment securities (*)	3,567,309	486,778	24,600	9,621,331	43,852,002	25,724,401	44,460,678	33,513,077	66,978,069	228,228,245
Capital contributions, long-term	4,238,508	-	-	-	-	-	-	-	-	4,238,508
Fixed assets	9,957,216	-	-	-	-	-	-	-	-	9,957,216
Other assets (*)	45,658,446	111,861	-	13,343	25,161	5,749	30,098	-	-	45,844,658
Total assets	88,706,924	25,412,125	18,316,523	807,873,245	580,340,353	648,239,943	271,192,711	135,180,319	68,719,065	2,643,981,208
Liabilities										
Borrowings from the Government and	-	-	-	107,675,662	29,850,000	1,000,000	1,851	-	-	138,527,513
Deposits and borrowings from other CIs	-	-	-	293,480,566	8,045,958	5,430,542	28,591	-	-	306,985,657
Gold and deposits from customers	-	-	-	702,467,713	265,981,137	327,219,374	402,291,986	21,857,898	139,651	1,719,957,759
Derivatives and other financial liabilities	-	-	-	641,551	-	-	-	-	-	641,551
Grants, trusted funds and borrowings where the Bank bears risks	-	-	-	-	1,620,733	542,809	-	-	-	2,163,542
Valuable papers issued	-	-	-	25,057,778	56,383,460	50,430,060	86,913,248	74,380	9,095,000	227,953,926
Other liabilities	49,731,862	-	-	-	-	-	-	-	-	49,731,862
Total liabilities	49,731,862	-	-	1,129,323,270	361,881,288	384,622,785	489,235,676	21,932,278	9,234,651	2,445,961,810
Balance sheet net interest gap	38,975,062	25,412,125	18,316,523	(321,450,025)	218,459,065	263,617,158	(218,042,965)	113,248,041	59,484,414	198,019,398

(*) Excluding provision

25.2. Liquidity risk management policy disclosure

Liquidity risk is defined as the risk that the Bank has difficulties in meeting obligations associated with its financial liabilities; or when the Bank has to mobilize funds at a higher cost compared to the average market cost to meet its payment obligations in line with the Bank's internal rules.

The Bank had issued regulations and procedures on liquidity management, including rules about managing liquidity gap through maturity, liquidity risk ratios, stress test scenarios and backup plans to proactively take measures when facing market volatility. To minimize liquidity risk, the Bank plans to diversify its funding sources, develops a fund management report system to calculate liquidity position on a daily basis, as well as prepares analysis and forecast report on future liquidity positions on a regular basis, setting liquidity risk appetite and capacity.

At regular ALCO Committee, ALCO Council meetings, fund balance and liquidity of the Bank is one of the key contents to be discussed. At Risk Management Committee, Risk Council meetings, the compliance with liquidity risk appetite and risk capacity is also reviewed and reported. Based on analysis and evaluation, Risk Management Committee/ALCO Council/Risk Council make recommendations to the Board of Directors and the Board of Management for future guidance to maintain the Bank's solvency in a safe and effective way.

In addition, the Bank also maintains a list of high liquid assets such as the Government bonds, which may be sold or under repurchased contracts with the SBV. It is not only a secondary reserve in liquidity stress circumstances (if any) but also a profitable investment.

The maturity of assets and liabilities represents the remaining time from the reporting date of the consolidated financial statements until the payment date regulated in the contract or terms of issuance.

The following assumptions and conditions have been adopted in the analysis of the Bank's maturity relating to its assets and liabilities:

- ▶ Cash, gold, silver and gemstones and balances with the SBV are classified into maturity up to one month;
- ▶ The maturity of placements and balances with and loans to other credit institutions; derivative financial instruments and other financial assets; loans to customers; investment securities; other assets; borrowings from the Government and the SBV; deposits and borrowings from other credit institutions; valuable papers issued; grants, trusted funds and borrowings where the Bank bears risks: is determined based on the terms and conditions on the contracts.

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- ▶ The maturity of trading securities is calculated on the basis of the probable time to convert bonds into cash because this portfolio includes highly liquid bonds;
- ▶ The maturity of customers' deposit is calculated on the basis of customers' behaviours and forecasts about the changes in interest rates and other macro-economic factors ;
- ▶ The maturity date of capital contribution, long-term investments is classified as over five (05) years as these investments have no defined maturity;
- ▶ The maturity date of fixed assets is classified as over five (05) years .

Based on the Board of Management's approval of the annual business plan, the Asset & Liability Management Department in cooperation with relevant specialized departments makes analysis and forecasts on cash inflows/outflows of the system according to the approved plan; and also based on the actual daily capital fluctuations and utilization, the Bank makes decisions on appropriate management and monitoring of available funds.

Based on the projection of available capital, the Asset & Liability Management Department in cooperation with the Treasury Dealing Department manage the secondary reserve through the purchase of highly liquid valuable papers, which could be converted into cash on the secondary market. The Asset & Liability Management Department together with the Treasury Dealing Department may decide to sell valuable papers to the SBV on the open market, or to refinance loans when working capital is insufficient, ensuring the liquidity of the whole system.

Based on the SBV's regulations, the Asset & Liability Management Department in cooperation with the Treasury Dealing Department proposes the Bank's available fund management plan, ensuring the actual average balance of deposits in VND and foreign currencies at the SBV is not below the required level of compulsory reserve. Besides, the Bank also establishes credit limit with other banks and credit institutions for mutual support when needed. The Market Risk Management Department acts as an independent supervisor to ensure that the liquidity risks are managed in compliance with regulations, management processes, and liquidity risk appetite/capacity of the Bank.

The amount of available funds is determined based on data from the Core Sunshine system, interbank payment program CITAD, Asset-Liability Management software, information about large cash flows from business units. Therefore, the Bank can actively manage its daily liquidity risk.

The Bank's liquidity risk management activities are monitored strictly in compliance with the regulations of the SBV and the Bank's internal criteria for liquidity management for each major currency (such as VND, USD, EUR) for capital mobilization and loan portfolios.

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LIQUIDITY RISK AS AT 30 JUNE 2025

Unit: VND Million

	Overdue		Current					Over 05 years	Total
	Over 03 months	Up to 03 months	Up to 01 month	From 01 to 03 months	From 03 to 12 months	From 01 to 05 years			
Assets									
Cash, gold, silver and gemstones	-	-	11,463,197	-	-	-	-	11,463,197	
Balances with the SBV	-	-	13,692,083	-	-	-	-	13,692,083	
Placements with and loans to other credit institutions	-	-	362,082,850	37,731,118	29,065,373	-	-	428,879,341	
Trading securities (*)	-	-	2,326,459	-	-	-	-	2,326,459	
Derivatives and other financial assets	-	-	-	-	-	-	-	-	
Loans to customers (*)	24,813,486	18,291,923	171,783,588	396,303,930	750,511,522	221,235,709	316,411,343	1,899,351,501	
Investment securities (*)	486,778	24,600	13,188,717	43,852,002	70,185,079	33,513,077	66,977,992	228,228,245	
Capital constributions, long-term investments	-	-	-	-	-	-	4,238,508	4,238,508	
Fixed assets	-	-	-	-	-	-	9,957,216	9,957,216	
Other assets (*)	111,861	-	2,875,527	9,095,460	13,696,119	1,879,513	18,186,178	45,844,658	
Total assets	25,412,125	18,316,523	577,412,421	486,982,510	863,458,093	256,628,299	415,771,237	2,643,981,208	
Liabilities									
Borrowings from the Government and the SBV	-	-	107,675,662	29,850,000	1,001,851	-	-	138,527,513	
Deposits and borrowings from other CIs	-	-	293,480,566	8,045,958	5,459,133	-	-	306,985,657	
Gold and deposits from customers	-	-	211,677,007	266,894,266	802,544,781	438,702,055	139,650	1,719,957,759	
Derivatives and other financial liabilities	-	-	641,551	-	-	-	-	641,551	
Grants, trusted funds and borrowings where the Bank bears risks	-	-	-	44,954	47,861	359,635	1,711,092	2,163,542	
Valuable papers issued	-	-	7,122,778	46,321,010	112,603,138	29,980	61,877,020	227,953,926	
Other liabilities	-	-	20,386,037	16,473,767	11,107,224	1,048,847	715,987	49,731,862	
Total liabilities	-	-	640,983,601	367,629,955	932,763,988	440,140,517	64,443,749	2,445,961,810	
Balance sheet net liquidity gap	25,412,125	18,316,523	(63,571,180)	119,352,555	(69,305,895)	(183,512,218)	351,327,488	198,019,398	

(*) Excluding provision

25.3. Currency risks

Currency risk is the risk that the Bank's asset or value of an investment fluctuates due to changes in foreign exchange rates.

The Bank was incorporated and operates in Vietnam and its reporting currency is VND. The Bank's main transaction currency is VND, while a part of the Bank's asset-equity is in foreign currencies (USD, EUR, etc.). Thus, currency risk may arise.

To prevent the risk of exchange rate fluctuations, the Bank has synchronously applied the following measures:

Based on actual data collected, take into account the growth demand of affiliates and business orientations, the Asset – Liability Management ("ALM") Department and the Financial Planning & Management Department analyse, provide projections on cash inflows/outflows and propose the capital planning for each currency type to the Management Board, which is managed based on actual daily cash flows to ensure operational safety and effectiveness of the whole system.

The Bank's capital mobilization and lending activities are mainly in VND, with a small portion in USD, EUR, and other foreign currencies. According to the business plan of each period, the Bank has a currency position in its capital trading activities when conducting financial transactions in the market. The Bank sets position limits for USD and other foreign currencies converted to USD based on the Bank's internal risk appetite and relevant regulatory authorities' regulations. The Treasury Department at the Head Office centrally manages the foreign currency position at the Head Office.

Currency positions are managed on a daily basis and hedging strategies are used by the Bank to ensure that the positions of currencies are maintained within the established limits.

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As at 30 June 2025 and for the period then ended

CURRENCY RISK AS AT 30 JUNE 2025

Unit: VND

	EUR equivalent	USD equivalent	VND	Other currencies equivalent	Gold equivalent	Total
Assets						
Cash, gold, silver and gemstones	211,753	1,042,080	9,982,232	3,035	206,708	11,445,808
Balances with the SBV	11,986	1,125,461	12,554,636	-	-	13,692,083
Placement with and loans to other credit institutions (*)	1,623,696	176,888,306	195,251,949	-	55,115,390	428,879,341
Trading securities (*)	-	-	2,326,459	-	-	2,326,459
Derivatives and other financial assets (*)	-	-	80,712,126	-	4,854,582	85,566,708
Loans to customers(*)	1,892,808	93,417,846	1,799,576,955	-	4,463,892	1,899,351,501
Investment securities (*)	-	-	227,868,205	-	360,040	228,228,245
Capital Contributions and long-term investments	-	-	4,238,508	-	-	4,238,508
Fixed assets and real estate for investment	34,258	-	9,836,748	-	86,210	9,957,216
Other assets (*)	169,502	1,331,302	44,188,978	-	154,876	45,844,658
Total assets	3,944,003	273,804,995	2,386,536,796	3,035	65,241,698	2,729,530,527
Liabilities and Equities						
Borrowings from the Government and the	-	-	138,527,513	-	-	138,527,513
Deposits and borrowings from other CIs	186,635	54,369,619	193,672,832	-	58,756,571	306,985,657
Deposits from customers	2,801,070	113,349,285	1,599,564,333	-	4,243,071	1,719,957,759
Derivatives and other financial liabilities	801,132	85,407,127	-	-	-	86,208,259
Grants, trusted funds and borrowings where the Bank bears risks	134,264	1,538,822	381,111	-	109,345	2,163,542
Valuable papers issued	-	73	227,953,853	-	-	227,953,926
Other liabilities	1,120,417	2,895,997	45,446,984	-	268,464	49,731,862
Equity and reserves	-	-	163,826,196	-	-	163,826,196
Total liabilities and equities	5,043,518	257,560,923	2,369,372,822	-	63,377,451	2,695,354,714
Banlance sheet currency position	(1,099,515)	16,244,072	17,163,974	3,035	1,864,247	34,175,813
Off-balance sheet currency position	(62,771)	(15,192,498)	15,286,276	-	(208,621)	(177,614)
Balance/Off-balance sheet currency position	(1,162,286)	1,051,574	32,450,250	3,035	1,655,626	33,998,199

(*) *Excluding provision*

EXCHANGE RATES OF CERTAIN FOREIGN CURRENCIES AT THE END OF THE PERIOD

	30/06/2025	31/12/2024
	VND	VND
USD	26,115	25,498
EUR	30,620	26,563
GBP	35,767	32,024
CHF	32,771	28,235
JPY	181.12	163.05
SGD	20,488	18,727
CAD	19,093	17,747
AUD	17,061	15,853
NZD	15,843	14,349
THB	803.79	746.31
SEK	2,750	2,321
NOK	2,588	2,254
DKK	4,104	3,562
HKD	3,327	3,284
CNY	3,645	3,493
KRW	19.29	17.67
LAK	1.33	1.22
XAU	*	8,625,000
SAR	6,963	**

(*) XAU: Not incurred as at 30/06/2025

(**) SAR: Not incurred as at 31/12/2024

Hanoi, 30 July 2025

Prepared by



Tran Thi Thu Huong

Chief Accountant



Nguyen Hai Hung

Deputy General Director



Nguyen Bao Thanh Van