

VIETNAM JOINT STOCK COMMERCIAL BANK FOR INDUSTRY AND TRADE
(Incorporated in the Socialist Republic of Vietnam)

AUDITED SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

In accordance with Vietnamese Accounting Standards,
accounting regime applicable to credit institutions in Vietnam
and legal regulations relating to separate financial reporting



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STATEMENT OF THE BOARD OF MANAGEMENT

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

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

Board of Directors

Mr. Tran Minh Binh	Chairman
Mr. Cat Quang Duong	Independent Member (appointed on 27 April 2024)
Mr. Nguyen Duc Thanh	Member
Mr. Nguyen The Huan	Member
Ms. Pham Thi Thanh Hoai	Member
Mr. Tran Van Tan	Member
Mr. Le Thanh Tung	Member
Mr. Koji Iriguchi	Member
Mr. Takeo Shimotsu	Member (appointed on 27 April 2024)
Mr. Nguyen Tran Manh Trung	Member (appointed on 17 October 2024)
Mr. Nguyen Viet Dung	Member (appointed on 17 October 2024)
Ms. Tran Thu Huyen	Member (resigned on 23 April 2024)
Ms. Nguyen Thi Bac	Independent Member (resigned on 27 April 2024)
Mr. Masashige Nakazono	Member (resigned on 27 April 2024)

Board of Supervisors

Ms. Le Anh Ha	Chief Supervisor
Ms. Nguyen Thi Anh Thu	Member
Ms. Pham Thi Thom	Member

Board of Management and Chief Accountant

Mr. Nguyen Tran Manh Trung	General Director (from 17 October 2024) and Deputy General Director (to 16 October 2024)
Mr. Do Thanh Son	Deputy General Director (from 17 October 2024) and Deputy General Director in charge of the Board of Management (to 17 October 2024)
Mr. Le Duy Hai	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. Hoang Ngoc Phuong	Deputy General Director (resigned on 28 March 2024)
Mr. Nguyen Dinh Vinh	Deputy General Director (resigned on 18 December 2024)
Mr. Nguyen Hai Hung	Chief Accountant

Authorized person for signing the separate financial statements

Mr. Nguyen Tran Manh Trung	General Director (According to Authorization letter No.992/UQ-HDQT-NHCT-PCCTT1 of the Chairman on 17 October 2024)
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STATEMENT OF THE BOARD OF MANAGEMENT (Continued)

THE BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY

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

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

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

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

For and on behalf of the Board of Management,



Nguyen Tran Manh Trung
General Director

Hanoi, 28 February 2025

No: 0551 /VN1A-HN-BC

INDEPENDENT AUDITORS' REPORT

To: The Shareholders
The Board of Directors and the Board of Management
Vietnam Joint Stock Commercial Bank for Industry and Trade

We have audited the accompanying separate financial statements of Vietnam Joint Stock Commercial Bank for Industry and Trade (the "Bank"), prepared on 28 February 2025 as set out from page 05 to page 60, which comprise the separate statement of financial position as at 31 December 2024, the separate income statement and the separate cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Board of Management's Responsibility

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

Auditors' Responsibility

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

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

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

INDEPENDENT AUDITORS' REPORT (Continued)

Opinion

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



Khúc Thi Lan Anh

Deputy General Director

Audit Practising Registration Certificate

No. 0036-2023-001-1

DELOITTE VIETNAM AUDIT COMPANY LIMITED

28 February 2025

Hanoi, S.R. Viet Nam

Mai Thi Thuy Loan

Auditor

Audit Practising Registration Certificate

No. 3837-2021-001-1

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

Unit: VND Million

NO.	ITEMS	Notes	Closing balance	Opening balance
A.	ASSETS			
I.	Cash	5	11,009,260	9,610,410
II.	Balances with the State Bank of Vietnam ("SBV")	6	34,431,153	40,596,555
III.	Placements with and loans to other credit institutions	7	374,863,906	276,784,594
1.	Placements with other credit institutions		371,252,257	260,206,169
2.	Loans to other credit institutions		3,611,649	16,578,425
IV.	Trading securities	8	-	63,118
1.	Trading securities		-	63,118
V.	Loans to customers		1,672,377,122	1,433,266,054
1.	Loans to customers	10	1,708,708,589	1,460,764,608
2.	Provisions for credit losses of loans to customers	11	(36,331,467)	(27,498,554)
VI.	Investment securities	12	210,917,810	177,769,970
1.	Available-for-sale investment securities	12.1	184,930,285	177,090,667
2.	Held-to-maturity investment securities	12.2	26,386,778	786,778
3.	Provisions for impairment of investment securities	12.4	(399,253)	(107,475)
VII.	Capital contribution, long-term investments	13	5,835,582	5,835,582
1.	Investments in subsidiaries	13.1	4,123,832	4,123,832
2.	Investments in joint-ventures	13.2	1,688,788	1,688,788
3.	Other long-term investments		22,962	22,962
VIII.	Fixed assets		9,745,660	9,895,243
1.	Tangible fixed assets	14	5,994,458	5,976,638
a.	Cost		16,899,990	16,305,468
b.	Accumulated depreciation		(10,905,532)	(10,328,830)
2.	Intangible assets	15	3,751,202	3,918,605
a.	Cost		6,753,667	6,665,612
b.	Accumulated amortisation		(3,002,465)	(2,747,007)
IX.	Other assets	16	41,385,780	57,435,976
1.	Other receivables	16.1	25,433,411	40,262,627
2.	Interest and fee receivables		12,966,226	14,359,841
3.	Other assets	16.2	3,065,728	2,892,664
4.	Provisions for impairment of other balance sheet assets	16.3	(79,585)	(79,156)
TOTAL ASSETS			2,360,566,273	2,011,257,502

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

SEPARATE STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 December 2024

Unit: VND Million

NO.	ITEMS	Notes	Closing balance	Opening balance
B.	LIABILITIES AND OWNERS' EQUITY			
I.	Borrowings from the Government and the SBV	17	154,284,104	21,814,105
1.	Deposits and borrowings from the Government and the SBV		154,284,104	21,814,105
II.	Deposits and borrowings from other credit institutions	18	267,439,256	295,337,817
1.	Deposits from other credit institutions	18.1	252,619,168	258,392,237
2.	Borrowings from other credit institutions	18.2	14,820,088	36,945,580
III.	Deposits from customers	19	1,603,421,091	1,409,417,688
IV.	Derivative financial instruments and other financial liabilities	9	398,121	552,633
V.	Grants, trusted funds and borrowings where the Bank bears risks	20	2,079,503	2,163,999
VI.	Valuable papers issued	21	151,853,590	115,375,727
VII.	Other liabilities		37,946,821	44,843,702
1.	Accrued fee and interest expenses		20,964,130	27,958,258
2.	Other payables and liabilities	22	16,982,691	16,885,444
TOTAL LIABILITIES			2,217,422,486	1,889,505,671
VIII.	Capital and reserves	24	143,143,787	121,751,831
1.	Contributed capital		62,669,744	62,669,744
a.	Charter capital		53,699,917	53,699,917
b.	Share premium		8,969,827	8,969,827
2.	Reserves		24,831,290	18,618,137
3.	Retained earnings		55,642,753	40,463,950
TOTAL LIABILITIES AND OWNERS' EQUITY			2,360,566,273	2,011,257,502

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

SEPARATE STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 December 2024

Unit: VND Million

OFF-BALANCE-SHEET ITEMS

NO.	ITEMS	Notes	Closing balance	Opening balance
1.	Credit guarantees	38	15,390,290	8,785,288
2.	Foreign exchange transactions commitments	38	803,727,044	725,754,038
	<i>Foreign currency purchase commitments</i>		6,892,967	1,407,061
	<i>Foreign currency sale commitments</i>		6,892,619	1,405,875
	<i>Cross currency swap contracts</i>		789,941,458	722,941,102
3.	Letters of credit (L/C) commitments	38	66,676,985	55,973,190
4.	Other guarantees	38	108,123,701	102,183,064
5.	Other commitments	38	63,111,263	68,704,794
6.	Uncollected loan interest and fees	39	10,548,196	9,516,848
7.	Bad debts written-off	40	164,013,377	147,183,994
8.	Other properties and valuable papers	41	123,933,645	84,155,460

Prepared by



Tran Thi Thu Huong
Deputy Head of Financial
Accounting Department

Approved by



Nguyen Hai Hung
Chief Accountant

Approved by



Nguyen Tran Manh Trung
General Director

28 February 2025


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

SEPARATE INCOME STATEMENT
For the year ended 31 December 2024

Unit: VND Million

NO. ITEMS	Notes	Current year	Prior year
1. Interest and similar income	25	122,648,218	130,963,092
2. Interest and similar expenses	26	(61,546,264)	(79,194,658)
I. Net interest income		61,101,954	51,768,434
3. Income from services		8,799,803	9,506,879
4. Expenses on services		(3,757,078)	(3,598,992)
II. Net profit from services	27	5,042,725	5,907,887
III. Net gain from trading foreign currencies	28	4,106,205	4,262,766
IV. Net gain/(loss) from trading securities	29.1	3,080	(4,460)
V. Net (loss) from investment securities	29.2	(287,676)	(18,962)
5. Other operating income		10,569,077	7,000,462
6. Other operating expenses		(2,141,843)	(1,168,796)
VI. Net profit from other activities	30	8,427,234	5,831,666
VII. Income from capital contribution, equity investments	31	71,871	627,606
VIII. Operating expenses	32	(20,854,118)	(19,188,990)
IX. Net profit from operating activities before credit provision expenses		57,611,275	49,185,947
X. Provision expenses for credit losses		(27,250,448)	(24,991,748)
XI. Profit before tax		30,360,827	24,194,199
7. Current corporate income tax expense	33	(6,101,799)	(4,737,411)
XII. Corporate income tax expense		(6,101,799)	(4,737,411)
XIII. Profit after corporate income tax		24,259,028	19,456,788

Prepared by



Tran Thi Thu Huong
Deputy Head of Financial
Accounting Department

Approved by



Nguyen Hai Hung
Chief Accountant

Approved by



Nguyen Tran Manh Trung
General Director

28 February 2025

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

SEPARATE CASH FLOW STATEMENT
For the year ended 31 December 2024

Unit: VND Million

NO. ITEMS	Current year	Prior year
CASH FLOWS FROM OPERATING ACTIVITIES		
01. Interest and similar income received	123,781,133	128,756,848
02. Interest and similar expenses paid	(68,576,472)	(72,374,325)
03. Income received from services	5,319,355	5,762,682
04. Net cash received from trading foreign currencies and securities	4,113,387	4,285,168
05. Other (expense)/income	(764,452)	405,969
06. Cash recovered from bad debts written off or compensated by provision for credit losses	7,492,106	4,607,782
07. Payments to employees and for operating management	(19,807,374)	(17,108,267)
08. Corporate income tax paid for the year	(5,821,627)	(4,623,873)
Net cash from operating profit before movements in assets and working capital	45,736,056	49,711,984
Changes in operating assets	(277,084,068)	(213,016,363)
09. Changes in placements with and loans to other credit institutions	7,434,799	(9,562,440)
10. Changes in trading securities	(33,376,500)	(8,082,754)
11. Changes in derivatives and other financial assets	(18,075)	3,077,852
12. Changes in loans to customers	(247,943,981)	(196,565,980)
13. Changes in provisions for credit losses	(18,417,106)	(26,684,066)
14. Changes in other operating assets	15,236,795	24,801,025
Changes in operating liabilities	333,295,783	191,107,275
15. Changes in borrowings from the Government and the SBV	132,469,999	(82,965,197)
16. Changes in deposits and borrowings from other credit institutions	(27,898,561)	91,631,052
17. Changes in deposits from customers	194,003,403	162,255,518
18. Changes in issued valuable papers (excluding issued valuable papers charged to financial activities)	36,477,863	24,005,308
19. Changes in grants, trusted funds and borrowings where the Bank bears risks	(84,496)	(228,202)
20. Changes in derivatives and other financial liabilities	(136,437)	552,633
21. Changes in other operating liabilities	(1,535,988)	(4,143,837)
I. Net cash generated by operating activities	101,947,771	27,802,896

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

SEPARATE CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2024

Unit: VND Million

NO. ITEMS	Current year	Prior year
CASH FLOWS FROM INVESTMENTING ACTIVITIES		
01. Acquisition of fixed assets	(1,284,157)	(781,738)
02. Proceeds from sales, disposal of fixed assets	14,715	10,303
03. Expenses on sales, disposal of fixed assets	(2,641)	(2,591)
04. Investments in other entities	-	(283,800)
05. Dividends and profit received from long-term investments and capital contribution	71,871	627,606
II. Net cash (used in) investing activities	(1,200,212)	(430,220)
III. Net increase in cash and cash equivalent	100,747,559	27,372,676
V. Cash and cash equivalents at the beginning of the year	273,371,122	245,998,446
VI. Cash and cash equivalents at the end of the year (Note 34)	374,118,681	273,371,122

Prepared by



Tran Thi Thu Huong
Deputy Head of Financial
Accounting Department

Approved by



Nguyen Hai Hung
Chief Accountant

Approved by



Nguyen Tran Manh Trung
General Director

28 February 2025

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

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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

1. GENERAL INFORMATION

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

Establishment and operation

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 ("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/QĐ-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 issued by the SBV and Business Registration Certificate No. 0103038874 dated 03 July 2009 issued by Hanoi Authority for Planning and Investment. The latest (13th) amended Enterprise Registration Certificate No. 0100111948 was issued by Hanoi Authority 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 amending and supplementing decisions relating thereto from 2017 to 2021. The latest amending and supplementing decision related to the Establishment and Operation License was issued by the SBV on 21 February 2025.

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, 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 according to 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 according to the provisions of law and the SBV's guidance; carrying out capital contribution, shares acquisition according to the provisions of law and the SBV's guidance; acting as trustor, trustee and agent in banking-related activities, insurance business and asset management according to 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 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; agent in settlement.

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 31 December 2024, the Bank's charter capital is VND 53,699,917 million. In which, proportion of ownership interest of the Government is 64.46% and proportion of ownership interest of strategic shareholder named The Bank of Tokyo – Mitsubishi UFJ is 19.73%

Operating network

The Head Office of the Bank is located at 108 Tran Hung Dao Street, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2023, the Bank has one (01) Head Office; two (02) local representative offices (in Da Nang and Ho Chi Minh City) and (01) overseas representative office in Myanmar; eight (08) administrative units including: one (01) School of Human Resource Development and Training, one (01) Card centre, one (01) Trade Finance Centre, five (05) Cash management centres; one hundred and fifty seven (157) branches and nine hundred and fifty three (953) transaction offices (including two (02) overseas branches).

Subsidiaries

As at 31 December 2024, the Bank has seven (07) subsidiary companies and one (01) subsidiary bank as follows:

No	Name	Operating License	Nature of Business	Proportion of Ownership of the Bank
1	Finance Leasing Company Limited – Viet Nam Joint Stock Commercial Bank for Industry and Trade	License of Establishment and Operation No. 53/1998/QĐ-NHNN5 dated 26 January 1998 issued by the SBV and the 1 st Business Registration Certificate No. 0101047075 dated 31 August 2009 by Hanoi Authority for Planning and Investment, the 11 th amendment dated 01 June 2022	Finance leasing	100%
2	Vietnam Bank for Industry and Trade Securities Joint Stock Company	Establishment and Operation License No. 107/UBCK-GP dated 01 July 2009 issued by the State Securities Commission and latest Amended License No. 103/GPDC-UBCK dated 17 January 2025	Securities activities	75.64%
3	Asset Management Company Limited - Viet Nam Joint Stock Commercial Bank for Industry and Trade	Business Registration Certificate No. 0302077030 dated 20 July 2010 issued by Department of Planning and Investment of Ho Chi Minh City, the 6 th amendment dated 12 January 2021	Asset management	100%
4	VietinBank Insurance Joint Stock Corporation	Establishment and Operation License No. 21GP/KDBH dated 12 December 2002 issued by the Ministry of Finance and Amended License No. 21/GPDC34/KDBH dated 20 November 2024 by the Ministry of Finance	Non-life insurance	73.37%
5	VietinBank Gold and Jewellery Trading Company Ltd	Enterprise Registration Certificate No. 0105011873 dated 25 November 2010 granted by Hanoi Authority for Planning and Investment, the 11 th amendment dated 02 July 2024	Trading, producing and refining gold, silver, precious stones	100%
6	VietinBank Fund Management Company Limited	Establishment and Operation License No. 50/UBCK-GP dated 26 October 2010 issued by State Securities Commission and Amended License No. 46/GPDC-UBCK dated 21 June 2024	Fund management	100%
7	VietinBank Global Money Transfer Company	Enterprise Registration Certificate No. 0105757686 dated 03 January 2012 issued by Hanoi Authority for Planning and Investment, the 1 st amendment dated 13 March 2015	Monetary transfer intermediary	100%
8	VietinBank Lao Limited	Enterprise Registration Certificate No. 068/NHCHDCNDL dated 08 July 2015 granted by Bank of the Lao P.D.R and Amended License No. 2947/Chtaw dated 27 September 2023	Finance and banking	100%

Employees

The total number of employees of the Bank as at 31 December 2024 was 22,492 (as at 31 December 2023: 22,333).

Disclosure of information comparability in the separate financial statements

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

2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

Accounting convention

The accompanying separate financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to separate financial reporting. However, due to the Bank's large scale of operation, for the purpose of preparing these separate financial statements, the figures are rounded to and presented in millions of Vietnam Dong (VND Million). This presentation does not materially impact the separate financial statements in terms of the separate financial position, the separate financial performance and separate cash flows of the Bank. With regard to the number of shares, the Bank presented the items in Note 24.3.

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

Financial year

The Bank's financial year begins on 01 January and ends on 31 December.

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

Adoption of new accounting guidance

Law on Credit Institutions No. 32/2024/QH15 dated 18 January 2024

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

Circular No. 06/2024/TT-NHNN dated 18 June 2024

On 18 June 2024, the State Bank ("SBV") issued Circular No. 06/2024/TT-NHNN ("Circular 06") amending and supplementing a number of articles of Circular No. 02/2023/TT-NHNN ("Circular 02") dated 23 April 2023 of the State Bank of Vietnam regulating credit institutions on debt rescheduling and retention of debt category to assist business in difficulties. Accordingly, Circular 06 stipulating the restructuring of debt repayment terms for customers according to the provisions of this Circular has been implemented from the effective date of this Circular until 31 December 2024. Circular 06 takes effect from 18 June 2024.

Circular No. 21/2024/TT-NHNN dated 28 June 2024

On 28 June 2024, the State Bank of Vietnam issued Circular No. 21/2024/TT-NHNN ("Circular 21") regulating letter of credit (L/C) operations and other business activities of credit institutions related to letters of credit. Circular 21 takes effect from 01 July 2024, including regulations on credit risk classification, provisioning levels and methods, and the use of provisions to handle credit risks of commitments and assets in credit granting for L/C operation, in performing the outright purchase without recourse of the set of documents presented under L/C, and in entrusting the issuance of L/C according to legal regulations on asset classification, risk provisioning levels and methods, and the use of provisions to handle risks in the operations of banks and foreign bank branches.

Circular No. 31/2024/TT-NHNN dated 30 June 2024

On 30 June 2024, the State Bank of Vietnam issued Circular No. 31/2024/TT-NHNN ("Circular 31") regulating the classification of assets in the operations of commercial banks, non-bank credit institutions, and foreign bank branches. Circular 31 replaces Circular No. 11/2021/TT-NHNN dated 30 July 2021 ("Circular 11") of the State Bank of Vietnam regulating asset classification, risk provisioning levels and methods, and the use of provisions to handle risks in the operations of credit institutions and foreign bank branches. Circular 31 takes effect from 01 July 2024.

Decree No. 86/2024/ND-CP dated 11 July 2024

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

Key changes of Circular 31 and Decree 86 that have a material impact on the Bank's separate financial statements in the future include the following:

- Regarding the classification of assets with credit risk, Circular 31 supplements requirements for debts arising from L/C operations, and removes requirements for purchases of promissory notes and bills of credit domestically issued by credit institutions, foreign bank branches;
- Regarding methods and principles of debt classification, Circular 31 amends and supplements requirements relating to the following: the principles of classification of entrusted amounts to issue letters of credit; the debts that a credit institution accepting mandatory transfer sells to a credit institution undergoing mandatory transfer according to a mandatory transfer plan approved by a competent authority, but proceeds from selling debts have not been fully recovered; the payment amount for purchase or for entrustment to purchase unlisted bonds whose terms can be extended in accordance with the law; discounting negotiable instruments and other valuable papers; debts arising from L/C operations; loans and deposits of a supporting credit institution at a special-control credit institution; loans, guarantees, deposits of credit institutions accepting mandatory transfer and other credit institutions at commercial banks undergoing mandatory transfer; debts that have their repayment terms restructured;
- For debts whose interest are exempted or reduced in according to the State Bank's regulations on restructuring debt repayment terms, exempting or reducing interest and fees, maintaining the debt group to support customers affected by Covid-19 are allowed to be reclassified into lower risk debt groups (including group 1) when fully meeting the conditions as prescribed in Circular 31; and
- Other debts arising between credit institutions and foreign bank branches in Vietnam from activities governed by Decree 86 are not subject to general provisioning.

Decision No. 1510/QĐ-TTg and Circular No. 53/2024/TT-NHNN dated 04 December 2024

On 04 December 2024, the Prime Minister issued Decision No. 1510/QĐ-TTg ("Decision 1510") on the classification of assets, the risk provisioning levels and methods, and the use of provisions to handle risk related to loans of borrowers in difficulties due to the impact and damage of Storm No. 3. On the same date, the State Bank of Vietnam (SBV) issued Circular No. 53/2024/TT-NHNN ("Circular 53") stipulating the restructuring of loan repayment terms for borrowers in difficulties due to the impact of Storm No. 3 and flooding, landslides in the aftermath of Storm No. 3. Decision 1510 and Circular 53 take effect from 04 December 2024.

Key provisions of Decision 1510 and Circular 53 that have an impact on the Bank's separate financial statements for the current year include the following:

- Regulations on the conditions of loans eligible for restructuring, including the outstanding principal and/or interest that are restructured in terms of repayment deadlines, and the permission to maintain the debt group and classification after restructuring debt repayment terms; and
- Regulations for the restructuring of debt repayment terms for eligible customers under Circular 53 which will be implemented from the effective date of this Circular until 31 December 2025, with no limitation on the number of times repayment terms to be restructured.

The Board of Management has applied the Law on Credit Institutions in 2024, Decree 86, Decision 1510 and the aforementioned Circulars in the Bank's separate financial reporting for the year ended 31 December 2024.

New guidance in issue but not yet effective

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

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

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

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

Estimates

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

Foreign currencies

According to the Bank's accounting system, all transactions are recorded in original currencies. At the reporting date, 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 of the year-end date if the difference between this rate and the weighted average buying and selling exchange rate of the same day is less than 1% (see details of foreign currency rates applied as at 31 December 2024 in Note 49). Otherwise, the Bank uses the weighted average buying and selling exchange rates ruling at the year-end date for conversion. Income and expenses arising in foreign currencies of the Bank are converted into VND at exchange rates ruling at the transaction dates. Foreign exchange differences arising from the translation of monetary assets and liabilities from foreign currencies into VND are recognized in the separate income statement.

Cash and cash equivalents

Cash and cash equivalents comprise cash, 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.

Placements with and loans to other credit institutions

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

The credit risk classification for placements with and loans to other credit institutions and the corresponding provisioning shall comply with the provisions of the Circular 31 and Decree 86. Accordingly, the Bank makes specific provisions for deposits (except for current deposits at other domestic credit institutions and foreign bank branches, and placements with Vietnam Bank for Social Policies following 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 for current deposits) at overseas credit institutions in a similar way to those for loans to customers.

Derivatives

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 separate 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 separate 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 separate income statement.

Interest rate swap contracts

Commitments of one-currency-interest-rate swap contracts are not recorded in the separate statement of financial position. For two-currency-interest-rate swap contracts with nominal principal swap, commitments are recognized in the separate 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 separate statement of financial position at the date of principal exchange. Income and expenses arising from interest rate effects are recorded on the accrual basis.

Loans to customers

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

Provision for credit losses

Classification of loans and provision for credit losses

Under Circular 31 and Decree 86, the Bank is required to apply loan classification and credit risk provisioning to the 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;
- Payments on behalf under off-balance-sheet commitments include payments made on behalf of customers under transactions of guarantee and letters of credit (L/C) (except for payments made on behalf of customers under transactions of Usance Payable at Sight (UPAS) L/C that allow the beneficiary to be paid immediately or before the L/C due date, and those under transactions of L/C reimbursement as agreed with customers using the reimbursing bank's funds from the date the reimbursing bank pays the beneficiary; transactions of L/C payment negotiation) and other payments made on behalf of customers under off-balance sheet commitments;
- Amounts for purchase and entrustment of purchase of corporate bonds (including bonds issued by other credit institutions) which have not yet been listed on 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 current accounts at other domestic credit institutions and foreign bank branches, and deposits at Vietnam Bank for Social Policies following 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 for current deposits) at overseas credit institutions;
- Debt sale and purchase according to the State Bank's regulations except for bad debt buying and selling transactions conducted between credit institutions or foreign bank branches and Vietnam Asset Management Company (VAMC);
- Repos of Government bonds in the stock market following the law on issuance, registration, depository, listing and trading of Government debt securities in the stock market;
- Purchase of certificates of deposit issued by other credit institutions and foreign bank branches;

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- Transactions of Usance Payable at Sight (UPAS) L/C that allow the beneficiary to be paid immediately or before the L/C due date, and those under transactions of L/C reimbursement as agreed with customers using the reimbursing bank's funds from the date the reimbursing bank pays the beneficiary; transactions of L/C payment negotiation; and
- Outright purchase without recourse of sets of documents presented under L/Cs, except where a commercial bank or foreign bank branch purchases outright without recourse 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 maintains the same 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 and Circular 06 of 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 borrowers in difficulty and documents of the SBV on debt classification and risk provisioning.

Loans are classified by risk level into the following groups: Standard, Special mention, Substandard, Doubtful and Loss. Loans classified as either Substandard, Doubtful or Loss are considered 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 31 December is recognized in the separate income statement for that year.

The specific provision at the year-end date is calculated by subtracting the discounted value of collateral from the remaining loan balance multiplied by the specific provision rate based on the loan classification result at the year-end. The specific provision rate for each debt group as prescribed in Decree 86 is prescribed as follows:

Group		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. 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 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.

Following Decree 86, a general provision is made for credit losses that are yet to be identified during the loan classification and specific provisioning process as well as in cases where the credit institutions encounter potential financial difficulties due to the deterioration in loan quality. Accordingly, the Bank is required to make and maintain a general provision at 0.75% of the total outstanding loan balances which are classified into groups 1 to 4, excluding deposits at domestic credit institutions and foreign bank branches in Vietnam as prescribed by law and deposits at overseas credit institutions; loans and forward purchase of valuable papers among credit institutions and foreign bank branches in Vietnam; purchases

of certificates of deposit or bonds issued locally by other credit institutions and foreign bank branches; and repurchase agreements of Government bonds on the stock market in accordance with the legal regulations on issuance, registration, depository listing and trading of government debt instruments in the stock market and other debts arising between credit institutions and foreign bank branches in Vietnam in accordance with the provisions of law.

Write-off of bad debts

Provision is recorded as an expense on separate income statement and used to write – off bad debts. In accordance with Decree 86, the Bank must set up Risk Management Committee to deal with bad debts if they are classified as Group 5, or if borrowers are either liquidated or bankrupted legal entities, or deceased or missing individual.

Classification of off-balance-sheet commitments

The Bank classifies guarantee, acceptances of payment and irrevocable loan commitments and other credit risk-bearing commitments (collectively referred to as “off-balance-sheet commitments”) into groups as stipulated in Article 09, Article 10, or Article 11 of Circular 31. Accordingly, off-balance-sheet commitments are classified by risk level into the following groups: Standard, Special mention, Substandard, Doubtful and Loss.

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

Investments

Trading securities

Trading securities include debt securities, equity securities and other securities that the Bank has bought and had the intention to sell in the near future to gain benefits from price differences. 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 separate income statement.

These securities are subject to impairment review at the date of the separate financial statements. 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 recognized in the separate income statement as “Net gain/ (loss) from trading securities”.

Investment securities

Available-for-sale investment securities

Available-for-sale securities include debt and equity securities that the Bank holds for investment and available-for-sale purposes, not frequently traded but can be sold when there is a benefit. For equity securities, the Bank 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 amortised into the separate 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 recognised 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 separate 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 purchases for investment purposes to gain interest and the Bank has the intention and the 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 Decree 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 separate income statement as "Net gain/(loss) from investment securities".

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 separate financial statements.

Investment in subsidiaries

Investment in subsidiaries over which the Bank has control rights is carried at cost in separate financial statements. Distributions from accumulated net profits of subsidiaries arising subsequently to the acquisition date are recognized in the separate income statement for the year. Distributions from other sources are considered recovery of investments and are deducted from the cost of the investments.

Investments in joint ventures

Investment in 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. that the strategic financial and operating policy decisions relating to the activities of the joint ventures require the unanimous consent of the parties sharing control.

Investments in joint ventures are carried at cost in separate financial statements. Accordingly, the Bank's contributed capital is initially recorded at cost. Distributions from accumulated net profits of the joint ventures arising subsequently to the date of acquisition are recognized in the separate income statement for the year. Distributions from sources other than from such profits are considered recovery of investments and are deducted from the cost of the investments.

Other long-term investments

Other long-term investments represent the Bank's capital investments in other enterprises at which the Bank 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.

Provision for impairment of capital contribution, long-term investments

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

Provision for impairment of capital contribution and long-term investments are recognized as an operating expense in the separate 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).

Recognition

The Bank recognizes investment securities and other investments at the date when the Bank 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.

Derecognition

Investment in securities is derecognized when the rights to receive cash flows from the investments end or when the Bank transfers to the buyer the significant risks and rewards associated with the ownership of the investments.

Repurchase and re-sale contracts

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

Trust activities and trusted funds

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

Tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The cost of tangible fixed asset comprises all of the Bank's 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 separate income statement when incurred. When assets are sold or disposed of, their cost and accumulated depreciation are written off from the separate statement of financial position and any net gains or losses resulting from their disposals are recorded in the separate income statement.

Intangible assets

Intangible assets are stated at cost less accumulated amortization. The cost of an intangible asset comprises all the Bank's 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 fixed assets compared to the initial activity level, shall be capitalized. Other expenditures related to intangible assets incurred after initial recognition are charged to the separate income statement. When intangible assets are sold or disposed, their cost and accumulated amortization are written off from the separate statement of financial position and any net gains or losses resulting from their disposals are recorded in the separate income statement.

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

Depreciation and amortization

Depreciation and amortization of tangible fixed assets and intangible assets are calculated on a straight-line basis over the estimated useful life of each asset 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.

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 separate 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 separate income statement using the straight-line method over the period of three years or less in accordance with prevailing accounting regulations.

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 separate income statement during the year.

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

Other provisions

Other provisions are recognized when the Bank has a present obligation as a result of a past event, and it is probable that the Bank 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 financial year end.

Capital and reserves

Common shares

Common shares are classified as owners' equity.

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.

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.

Distributed profit

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; and
- Development Investment fund and other reserves: established in accordance with current regulations and the Decisions of the General Shareholders' Meeting.

Bonus fund for the Board of Management, bonus and welfare fund are established in accordance with the decision of the General Shareholders' Meeting.

Revenue and expenses

Interest and similar income/expenses

Interest income and interest expenses are recognized in the separate income statement on the accrual basis. The recognition of 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 group (group 1) as prescribed in Circular 02, Circular 06 and Decree 55 will not be recognized in the separate income statement. Accrued interest income on such loans is recorded as an off-balance-sheet item and is recognized in the separate income statement upon actual receipt.

Income and expenses from interest on 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 separate income statement for the year. These accruals are recorded as off-balance-sheet items and are only recognized in the separate income statement upon actual receipt.

Income from service charges and commissions

Income from service charges and commissions is recorded in the separate income statement when service is rendered.

Income from guarantee and L/C commitment activities

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

Income from securities trading

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

Recognition of dividends and profits received

Cash dividends and profits received from investment and capital contributions activities are recorded in the separate 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 separate 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.

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.

Recognition of receivables not yet collected

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 as reduction in revenue if the income has been accrued in the same financial year or recorded as other expenses if accrued in different financial year and monitored off-balance-sheet for collection. Upon actual receipt of these receivables, the Bank recognizes them as income according to the nature of the income in the separate income statement.

Expenses recognition principle

According to Circular 16, only incurred economic transactions which are deductible expenses in accordance with regulations of law on corporate income tax are recorded in the separate income statement by the Bank.

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 year. Taxable profit differs from profit before tax as reported in the separate income statement because it excludes items of income or expense that are taxable or deductible in other years (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 separate 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 year when the liability is settled or the asset is realized. Deferred tax is charged or credited to the separate 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 the Bank has 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.

Employee benefits

Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank by the Social Insurance Agency, a government-affiliated agency. The Bank is 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.

Severance allowance

According to Article 46 of Labour Code No. 45/2019/QH14 effective from 01 January 2021, the Bank is 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.

Unemployment insurance

According to Circular No. 15/2023/TT-BLĐTBXH dated 29 December 2023 ("Circular 15") guiding the implementation of certain articles Circular No. 28/2015/TT-BLĐTBXH dated 31 July 2015 ("Circular 28") of the Ministry of Labor - Invalids and Social Affairs and Decree No. 28/2015/ND-CP of the Government dated 12 March 2015 regulating the implementation of the Employment Law's provision on unemployment insurance, from 01 January 2009, the Bank is obliged to pay unemployment insurance for eligible employees at 1% of their salary fund allocated for unemployment insurance.

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 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 Supervisors, and Board of Management of the Bank;
- (d) The party is a close member of the family of any individual referred to in (a) or (c); or
- (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).

Offsetting

Financial assets and financial liabilities are offset and the net amounts are reported in the separate 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.

5. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Cash in VND	9,601,064	8,536,838
Cash in foreign currencies	1,408,196	1,073,572
	<u>11,009,260</u>	<u>9,610,410</u>

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

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Current account at the State Bank of Vietnam		
- In VND	25,115,446	35,760,631
- In foreign currencies	9,315,707	4,835,924
	<u>34,431,153</u>	<u>40,596,555</u>

Balances with the SBV are for the purpose of payment and compulsory reserves at the SBV as required.

7. PLACEMENTS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Placements with other credit institutions		
Demand deposits	242,404,919	187,679,595
- In VND	130,784,401	86,748,801
- In foreign currencies	111,620,518	100,930,794
Term deposits	128,847,338	72,526,574
- In VND	56,150,000	23,680,000
- In foreign currencies	72,697,338	48,846,574
	<u>371,252,257</u>	<u>260,206,169</u>
Loans to other credit institutions		
- In VND	2,500,000	7,597,604
- In foreign currencies	1,111,649	8,980,821
	<u>3,611,649</u>	<u>16,578,425</u>
Placements with and loans to other credit institutions	<u>374,863,906</u>	<u>276,784,594</u>

Analysis of placements with other credit institutions (except for current deposits at other domestic credit institutions and foreign bank branches, and placements with Vietnam Bank for Social Policies following the regulations of the SBV on maintaining the balance of deposits at Vietnam Bank for Social Policies of state credit institutions under Circular 31) and loans to other credit institutions by quality is as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Standard loans	132,458,987	89,104,999
Special-mentioned loans	-	-
Sub-standard loans	-	-
Doubtful loans	-	-
Loss loans	-	-
	<u>132,458,987</u>	<u>89,104,999</u>

8. TRADING SECURITIES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Debt securities	-	63,118
Government bonds	-	63,118
	<u>-</u>	<u>63,118</u>

Listing status of trading securities is as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Debt securities		
Listed	-	63,118
	<u>-</u>	<u>63,118</u>

9. DERIVATIVES AND OTHER FINANCIAL ASSETS/(LIABILITIES)

	<u>Net book value</u> <u>(at exchange rate as at the reporting date)</u>		
	<u>Financial assets</u>	<u>Financial liabilities</u>	<u>Net amount</u>
	VND Million	VND Million	VND Million
As at 31 December 2024			
Currency derivative financial instruments	18,075	(298,910)	(280,835)
- Forward contracts	-	(298,910)	(298,910)
- Swap contracts	18,075	-	18,075
Interest rate derivative financial instruments	-	(117,286)	(117,286)
	<u>18,075</u>	<u>(416,196)</u>	<u>(398,121)</u>
As at 31 December 2023			
Currency derivative financial instruments	-	(464,245)	(464,245)
- Forward contracts	-	(347,868)	(347,868)
- Swap contracts	-	(116,377)	(116,377)
Interest rate derivative financial instruments	-	(88,388)	(88,388)
	<u>-</u>	<u>(552,633)</u>	<u>(552,633)</u>

10. LOANS TO CUSTOMERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Loans to local business entities and individuals	1,699,856,608	1,452,249,848
Discounted promissory notes and valuable papers	1,745,674	1,729,508
Payments made on behalf of customers	304,240	226,988
Loans by grants, investment trusts	1,752,217	1,796,376
Loans to foreign organizations and individuals	3,964,816	4,761,888
Others (*)	1,085,034	-
	<u>1,708,708,589</u>	<u>1,460,764,608</u>

(*) Closing balance represents VND 1,085,034 million receivables under transactions of Usance Payable at Sight (UPAS) L/C following Circular 31 and Decree 86.

Analysis of loans portfolio by quality

	Closing balance	Opening balance
	VND Million	VND Million
Standard loans	1,664,709,576	1,421,723,848
Special-mention loans	23,147,823	22,645,316
Sub-standard loans	2,808,269	2,482,038
Doubtful loans	4,784,673	4,692,176
Loss loans	13,258,248	9,221,230
	1,708,708,589	1,460,764,608

Analysis of loan portfolio by original term

	Closing balance	Opening balance
	VND Million	VND Million
Short-term loans (Up to 1 year)	1,131,645,052	956,804,155
Medium-term loans (From 1 to 5 years)	94,589,115	81,937,114
Long-term loans (Above 5 years)	482,474,422	422,023,339
	1,708,708,589	1,460,764,608

Analysis of loan portfolio by type of customers and type of businesses

	Closing balance	Opening balance
	VND Million	VND Million
State-owned enterprises	73,021,581	57,473,276
State-owned one-member limited enterprises	19,357,735	18,111,962
Two or more member limited liability enterprises with more than 50% of the State's share holding	7,902,552	7,315,268
Other limited companies	318,307,817	305,453,058
Joint stock companies with more than 50% of the State's share-holding	30,078,036	24,093,291
Other joint stock companies	472,314,935	404,203,159
Partnership companies	13,268	31,641
Private companies	14,373,231	13,762,447
Foreign invested enterprises	97,671,435	77,453,184
Cooperatives, cooperative unions	1,316,385	1,310,113
Household businesses, individuals	672,612,371	550,656,808
Administrative units, the Party, unions and associations	1,710,203	765,890
Others	29,040	134,013
	1,708,708,589	1,460,764,608

Analysis of loan portfolio by sector

	Closing balance	Opening balance
	VND Million	VND Million
Agriculture, forestry and aquaculture	50,515,687	47,947,765
Mining and quarrying	8,438,507	8,626,119
Production and processing	342,057,544	302,092,123
Electricity, fuel gas and water production and distribution	80,483,524	67,663,097
Construction	80,000,568	78,625,067
Wholesale and retail; repair of cars, motorcycles, motorbikes and other motor vehicles	644,717,078	548,654,813
Transport, warehouse and communication	37,663,298	29,635,941
Trade and service	300,982,922	258,453,591
Employment activities in households, production of material products and services for household self-consumption	108,289,226	74,853,804
Others	55,560,235	44,212,288
	1,708,708,589	1,460,764,608

11. PROVISIONS FOR CREDIT LOSSES ON LOANS TO CUSTOMERS

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

	General provision	Specific provision	Total
	VND Million	VND Million	VND Million
Opening balance	10,860,006	16,638,548	27,498,554
Provision charged for the year	1,825,755	25,424,264	27,250,019
Provision used to write off bad debts for the year	-	(18,417,106)	(18,417,106)
Closing balance	12,685,761	23,645,706	36,331,467

Movements in provisions for credit losses on loans to customers for the year ended 31 December 2023 are as follows:

	General provision	Specific provision	Total
	VND Million	VND Million	VND Million
Opening balance (Restated)	9,345,537	19,845,335	29,190,872
Provision charged for the year	1,514,469	23,477,279	24,991,748
Provision used to write off bad debts for the year	-	(26,684,066)	(26,684,066)
Closing balance	10,860,006	16,638,548	27,498,554

12. INVESTMENT SECURITIES

12.1 Available-for-sale investment securities

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Debt securities	184,553,670	176,714,052
Government bonds	80,284,569	75,593,879
Debt securities issued by other domestic credit institutions	102,607,091	98,228,163
Debt securities issued by domestic business entities	1,662,010	2,892,010
Equity securities	376,615	376,615
Equity securities issued by domestic business entities	376,615	376,615
Available-for-sale investment securities	184,930,285	177,090,667
Provisions for impairment of available-for-sale investment securities	(12,475)	(27,194)
Provisions for impairment	-	(5,494)
General provision	(12,465)	(21,690)
Specific provision	(10)	(10)
	<u>184,917,810</u>	<u>177,063,473</u>

12.2 Held-to-maturity investment securities

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Debt securities	26,386,778	786,778
Government bonds	-	400,000
Debt securities issued by other domestic credit institutions	26,000,000	-
Debt securities issued by domestic business entities	386,778	386,778
Provisions for impairment of held-to-maturity investment securities	(386,778)	(80,281)
General provision	-	(2,901)
Specific provision	(386,778)	(77,380)
	<u>26,000,000</u>	<u>706,497</u>

12.3 Quality analysis of securities classified as credit risk assets

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Standard	117,907,709	89,995,588
Special - mention	-	-
Sub-standard	-	386,748
Doubtful	-	-
Loss	386,788	40
	<u>118,294,497</u>	<u>90,382,376</u>

12.4 Provision for credit losses of investment securities

Movements in provision for credit losses on investment securities for the year ended 31 December 2024 are as follows:

	Available-for-sale investment securities			Held-to-maturity investment securities		Total
	General provision	Specific provision	Provisions for impairment	General provision	Specific provision	
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Opening balance	21,690	10	5,494	2,901	77,380	107,475
(Reversal)/Appropriation of provision for the year	(9,225)	-	(5,494)	(2,901)	309,398	291,778
Closing balance	12,465	10	-	-	386,778	399,253

Movements in provision for credit losses on investment securities for the year ended 31 December 2023 are as follows:

	Available-for-sale investment securities			Held-to-maturity investment securities		Total
	General provision	Specific provision	Provisions for impairment	General provision	Specific provision	
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Opening balance	23,393	-	35,357	2,901	-	61,651
(Reversal)/Appropriation of provision for the year	(1,703)	10	(29,863)	-	77,380	45,824
Closing balance	21,690	10	5,494	2,901	77,380	107,475

13. CAPITAL CONTRIBUTION, LONG-TERM INVESTMENTS

Analysis by type of investment

	Closing balance VND Million	Opening balance VND Million
Investments in subsidiaries (Note 13.1)	4,123,832	4,123,832
Equity investments in joint ventures (Note 13.2)	1,688,788	1,688,788
Other long-term investments	22,962	22,962
	5,835,582	5,835,582

13.1 Investment in subsidiaries

	Closing balance	Opening balance
	VND Million	VND Million
Finance Leasing Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade	1,000,000	1,000,000
Vietnam Bank for Industry and Trade Securities Joint Stock Company	597,232	597,232
Asset Management Company Limited - Vietnam Joint Stock Commercial Bank for Industry and Trade	120,000	120,000
VietinBank Insurance Joint Stock Corporation	489,150	489,150
VietinBank Fund Management Company Limited	300,000	300,000
VietinBank Gold and Jewellery Trading Company Ltd	200,000	200,000
VietinBank Global Money Transfer Company Limited	50,000	50,000
VietinBank Lao Limited	1,367,450	1,367,450
	<u>4,123,832</u>	<u>4,123,832</u>

13.2 Equity investment in joint venture

	Closing balance		Opening balance	
	Cost	Proportion of ownership interest	Cost	Proportion of ownership interest
	VND Million	%	VND Million	%
Indovina Bank Limited	1,688,788	50	1,688,788	50
	<u>1,688,788</u>		<u>1,688,788</u>	

Indovina Bank Limited was established in Vietnam with the Head Office located in Ho Chi Minh 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, equivalent to VND 3,377,500 million.

Since its establishment, as approved by the SBV, Indovina Bank Limited has made several capital increases, in which the value of capital contributed by the two parties to the joint venture increased but the proportion of contributed capital did not change. As at 31 December 2024, the charter capital of Indovina Bank Limited is USD 193,000,000, equivalent to VND 3,377,500 million.

14. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Building, structures	Machinery, equipment	Motor vehicles and transmission equipment	Management tools, equipment and other tangible fixed assets	Total
	VND Million	VND Million	VND Million	VND Million	VND Million
Cost					
Opening balance	8,308,978	5,705,307	1,852,100	439,083	16,305,468
Acquisitions during the year	5,081	436,181	115,185	30,284	586,731
Transfer from construction in progress	132,245	30,800	11,773	8,920	183,738
Reclassifications	(575)	(24,109)	24,374	310	-
Disposals	(5,326)	(110,823)	(54,794)	(3,491)	(174,434)
Others	(330)	(1,081)	-	(102)	(1,513)
Closing balance	8,440,073	6,036,275	1,948,638	475,004	16,899,990
Accumulated depreciation					
Opening balance	3,383,888	5,173,456	1,406,000	365,486	10,328,830
Depreciation charged for the year	300,790	254,163	142,580	30,747	728,280
Reclassifications	(81)	(23,213)	23,478	(184)	-
Disposals	(5,326)	(108,043)	(53,578)	(3,452)	(170,399)
Others	7,092	4,708	3,297	3,724	18,821
Closing balance	3,686,363	5,301,071	1,521,777	396,321	10,905,532
Net book value					
Opening balance	4,925,090	531,851	446,100	73,597	5,976,638
Closing balance	4,753,710	735,204	426,861	78,683	5,994,458

Other information about tangible fixed assets:

	Closing balance VND Million	Opening balance VND Million
Cost of tangible fixed assets fully depreciated but still in use	7,502,818	7,195,624
	7,502,818	7,195,624

15. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Land use rights VND Million	Computer software and other intangible assets VND Million	Total VND Million
Cost			
Opening balance	4,050,137	2,615,475	6,665,612
Acquisitions during the year	8,751	88,229	96,980
Others	(2,560)	(6,365)	(8,925)
Closing balance	4,056,328	2,697,339	6,753,667
Accumulated amortisation			
Opening balance	487,711	2,259,296	2,747,007
Amortisation charged for the year	38,552	220,475	259,027
Other	3,271	(6,840)	(3,569)
Closing balance	529,534	2,472,931	3,002,465
Net book value			
Opening balance	3,562,426	356,179	3,918,605
Closing balance	3,526,794	224,408	3,751,202

Other information about intangible assets:

	Closing balance VND Million	Opening balance VND Million
Cost of intangible assets fully amortized but still in use	1,295,514	1,092,426
	1,295,514	1,092,426

16. OTHER ASSETS

16.1 Receivables

	Closing balance VND Million	Opening balance VND Million
Construction in progress (i)	5,678,511	5,570,225
Purchases and major repair of fixed assets	1,153,660	856,607
External receivables (ii)	18,404,452	33,679,763
Internal receivables	196,788	156,032
	25,433,411	40,262,627

(i) Construction in progress

	Closing balance VND Million	Opening balance VND Million
Constructions in the Northern area	5,419,245	5,363,006
Constructions in the Central area	76,660	74,894
Constructions in the Southern area	182,606	132,325
	5,678,511	5,570,225

(ii) Closing balance does not include VND 1,085,034 million receivables under transactions of Usance Payable at Sight (UPAS) L/C following Circular 31 and Decree 86.

16.2 Other assets

	Closing balance	Opening balance
	VND Million	VND Million
Materials and tools	271,922	197,186
Prepaid expenses awaiting for allocation	2,654,335	2,556,229
Other assets	139,471	139,249
	3,065,728	2,892,664

16.3 Provisions for impairment of other balance sheet assets

	Closing balance	Opening balance
	VND Million	VND Million
Provision for credit losses	429	-
- <i>General provision</i>	429	-
Provision for bad debts	79,156	79,156
	79,585	79,156

17. BORROWINGS FROM THE GOVERNMENT AND THE SBV

	Closing balance	Opening balance
	VND Million	VND Million
Borrowings from the SBV	9,512,869	766,887
Discounting valuable papers	9,017,858	-
Loans under credit contracts	488,053	759,929
Borrowings for grants to State-owned enterprises	6,958	6,958
Current accounts held by the State Treasury	144,771,235	21,047,218
In VND	144,771,235	21,047,218
	154,284,104	21,814,105

18. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

18.1 Deposits from other credit institutions

	Closing balance	Opening balance
	VND Million	VND Million
Demand deposits	204,434,268	173,832,137
- In VND	109,090,476	67,177,286
- In foreign currencies	95,343,792	106,654,851
Term deposits	48,184,900	84,560,100
- In VND	46,910,000	79,224,000
- In foreign currencies	1,274,900	5,336,100
	252,619,168	258,392,237

18.2 Borrowings from other credit institutions

	Closing balance	Opening balance
	VND Million	VND Million
- In VND	11,206,369	8,843,830
<i>In which: Discounting, rediscounting borrowings</i>	11,184,500	877,824
- In foreign currencies	3,613,719	28,101,750
	14,820,088	36,945,580

19. DEPOSITS FROM CUSTOMERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Demand deposits	382,347,881	310,806,798
- Demand deposits in VND	322,059,229	269,766,343
- Demand deposits in foreign currencies	60,288,652	41,040,455
Term deposits	1,205,502,722	1,091,678,694
- Term deposits in VND	1,167,661,644	1,057,156,599
- Term deposits in foreign currencies	37,841,078	34,522,095
Deposits for specific purpose	9,998,363	2,142,589
- Deposits for specific purpose in VND	9,134,435	1,460,034
- Deposits for specific purpose in foreign currencies	863,928	682,555
Margin deposits	5,572,125	4,789,607
- Margin deposits in VND	5,181,752	4,105,717
- Margin deposits in foreign currencies	390,373	683,890
	<u>1,603,421,091</u>	<u>1,409,417,688</u>

Customer deposit portfolio by type of customers and type of businesses

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
State-owned enterprises	261,499,997	206,606,391
State-owned one-member limited enterprises	35,303,965	34,591,407
Two or more member limited liability enterprises with more than 50% of the State's share holding	1,722,724	1,678,041
Other limited companies	53,291,299	47,832,641
Joint stock companies with more than 50% of the State's share-holding	56,203,117	58,864,058
Other joint stock companies	121,351,682	105,307,324
Partnership companies	15,990,097	10,815,715
Private companies	2,494,808	2,912,840
Foreign invested enterprises	139,837,100	116,256,435
Cooperatives, cooperative unions	853,633	513,389
Household businesses, individuals	801,477,570	720,522,395
Administrative units, the Party, unions and associations	78,505,873	62,125,292
Others	34,889,226	41,391,760
	<u>1,603,421,091</u>	<u>1,409,417,688</u>

20. GRANTS, TRUSTED FUND AND BORROWINGS WHERE THE BANK BEARS RISKS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Risk grants, trusted funds and borrowings in VND	402,575	450,857
Risk grants, trusted funds and borrowings in foreign currencies	1,676,928	1,713,142
	<u>2,079,503</u>	<u>2,163,999</u>

21. VALUABLE PAPERS ISSUED

	Closing balance	Opening balance
	VND Million	VND Million
Valuable papers in VND	151,853,519	115,375,611
Par value	151,853,439	115,375,611
Premium	80	-
Valuable papers in foreign currencies	71	116
Par value	71	116
	<u>151,853,590</u>	<u>115,375,727</u>

Details of the term of issued valuable papers:

Type of valuable papers	Bill	Bearer bonds	Book-entry bonds	Certificate of deposit	Total
	VND Million	VND Million	VND Million	VND Million	VND Million
Closing balance					
<i>Term under 12 months</i>	153	-	-	96,457,274	96,457,427
Par value	153	-	-	96,457,274	96,457,427
- In VND	153	-	-	96,457,274	96,457,427
<i>Term from 12 months to under 5 years</i>	-	166	-	8,218,897	8,219,063
Par value	-	166	-	8,218,897	8,219,063
- In VND	-	166	-	8,218,826	8,218,992
- In foreign currency	-	-	-	71	71
<i>Term over 5 years</i>	-	-	47,177,100	-	47,177,100
Par value	-	-	47,177,020	-	47,177,020
- In VND	-	-	47,177,020	-	47,177,020
Premium	-	-	80	-	80
	<u>153</u>	<u>166</u>	<u>47,177,100</u>	<u>104,676,171</u>	<u>151,853,590</u>
Opening balance					
<i>Term under 12 months</i>	153	-	-	68,919,684	68,919,837
Par value	153	-	-	68,919,684	68,919,837
- In VND	153	-	-	68,919,684	68,919,837
<i>Term from 12 months to under 5 years</i>	-	166	-	4,432,989	4,433,155
Par value	-	166	-	4,432,989	4,433,155
- In VND	-	166	-	4,432,873	4,433,039
- In foreign currency	-	-	-	116	116
<i>Term over 5 years</i>	-	-	42,022,735	-	42,022,735
Par value	-	-	42,022,735	-	42,022,735
- In VND	-	-	42,022,735	-	42,022,735
	<u>153</u>	<u>166</u>	<u>42,022,735</u>	<u>73,352,673</u>	<u>115,375,727</u>

22. OTHER PAYABLES AND LIABILITIES

	Closing balance	Opening balance
	VND Million	VND Million
Internal payables	3,635,472	3,507,567
External payables	9,619,844	10,524,288
Bonus and welfare funds	3,727,375	2,853,589
	<u>16,982,691</u>	<u>16,885,444</u>

Details of external payables are as follows:

	Closing balance	Opening balance
	VND Million	VND Million
Payments/receipts on behalf of other organisations	2,119,263	1,168,538
Amount received on behalf and deferred payment	73,896	94,028
Corporate income tax payables (Note 23)	3,278,554	3,059,788
Unearned revenue	2,092,743	2,883,986
Other tax payables	226,971	443,563
Interbank payables	527,228	544,755
Money transfer payables	158,205	239,211
Payables relating to trade finance activities	6,000	5,999
Other pending payments	938,944	1,029,556
Payables relating to debt trading (*)	129,972	979,510
Other payables	68,068	75,354
	9,619,844	10,524,288

(*) Representing prepayments of partners related to debt selling activities. At the reporting date, the parties are in the process of transferring ownership and obligations for the debts sold.

23. THE BANK'S OBLIGATIONS TO THE STATE BUDGET

	Opening balance	Movement in the year		Closing balance
	VND Million	Payable	Paid	VND Million
	VND Million	VND Million	VND Million	VND Million
Value added tax	366,701	1,122,382	1,401,915	87,168
Corporate income tax	3,059,788	6,040,393	5,821,627	3,278,554
Other taxes	76,862	1,323,178	1,260,237	139,803
	3,503,351	8,485,953	8,483,779	3,505,525

24. CAPITAL AND RESERVES

24.1. Statement of changes in owners' equity

	Charter capital	Share premium	Capital supplementary reserve	Financial reserve fund	Development Investment fund	Retained earnings	Total
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Prior year's opening balance	48,057,506	8,969,827	5,238,809	10,451,434	-	31,907,687	104,625,263
Capital increase from dividends distribution	5,642,411	-	-	-	-	(5,642,411)	-
Profit after tax for the year	-	-	-	-	-	19,456,788	19,456,788
Adjustment of the appropriation to reserves of previous years	-	-	3,126	6,250	-	(9,376)	-
Temporary appropriation to reserves during the year	-	-	972,839	1,945,679	-	(2,918,518)	-
Appropriation to bonus and welfare fund	-	-	-	-	-	(2,327,358)	(2,327,358)
Other adjustments	-	-	-	-	-	(2,862)	(2,862)
Current year's opening balance	53,699,917	8,969,827	6,214,774	12,403,363	-	40,463,950	121,751,831
Profit after tax for the year	-	-	-	-	-	24,259,028	24,259,028
Adjustment of the appropriation to reserves of previous years (*)	-	-	972,554	(286)	389,079	(1,361,347)	-
Temporary appropriation to reserves during the year	-	-	2,425,903	2,425,903	-	(4,851,806)	-
Appropriation to bonus and welfare fund (*)	-	-	-	-	-	(2,608,882)	(2,608,882)
Other adjustments (**)	-	-	-	-	-	(258,190)	(258,190)
Closing balance	53,699,917	8,969,827	9,613,231	14,828,980	389,079	55,642,753	143,143,787

(*) According to Resolution No. 27/NQ-DHDCD dated 27 April 2024 and Resolution No. 033/NQ-HDQT-NHCT-VPHDQT1 dated 18 February 2025 of the Board of Directors, the Bank has appropriated statutory funds and bonus and welfare funds from retained earnings in 2023.

(**) Including additional VAT payment for letter of credit activities of previous years according to Document No. 5366/TCT-DNL of the General Department of Taxation dated 30 November 2023 and other adjustments.

24.2. Details of the Bank's shares

	Closing balance		Opening balance	
	Ordinary shares	Preference shares	Ordinary shares	Preference shares
	VND Million	VND Million	VND Million	VND Million
Government capital	34,616,763	-	34,616,763	-
Contributed capital	19,083,154	-	19,083,154	-
Share premium	8,969,827	-	8,969,827	-
	62,669,744	-	62,669,744	-

24.3. Details of the Bank's shares

	Closing balance	Opening balance
Number of registered shares for issue (unit)	5,369,991,748	5,369,991,748
Number of shares in circulation (unit)	5,369,991,748	5,369,991,748
- Ordinary shares (unit)	5,369,991,748	5,369,991,748
Par value of share (VND)	10,000	10,000

25. INTEREST AND SIMILAR INCOME

	Current year	Prior year
	VND Million	VND Million
Interest income from deposits	6,011,058	4,314,519
Interest income from loans to customers	106,896,517	116,783,978
Interest income from investment in debt securities	6,768,999	7,728,487
Interest income from guarantee services	1,824,924	1,350,888
Income from other credit activities	1,146,720	785,220
	122,648,218	130,963,092

26. INTEREST AND SIMILAR EXPENSES

	Current year	Prior year
	VND Million	VND Million
Interest expense on deposits	52,701,905	68,737,387
Interest expense on borrowings	2,131,839	2,952,998
Interest expense on valuable papers issued	6,494,443	6,731,245
Expenses on other credit activities	218,077	773,028
	61,546,264	79,194,658

27. NET GAIN FROM SERVICES

	Current year	Prior year
	VND Million	VND Million
Income from services	8,799,803	9,506,879
Income from settlement services	4,258,748	3,965,828
Income from consulting, trust and agency services	1,193,884	1,147,663
Others	3,347,171	4,393,388
Expenses for services	(3,757,078)	(3,598,992)
Expenses for settlement services	(3,093,439)	(2,948,733)
Expenses for consulting, trust and agency services	(571)	(1,708)
Others	(663,068)	(648,551)
Net gain from services	5,042,725	5,907,887

28. NET GAIN FROM FOREIGN CURRENCY TRADING

	Current year	Prior year
	VND Million	VND Million
Income from trading foreign currencies	14,275,093	8,751,372
Income from spot trading foreign currencies	6,560,808	2,973,454
Income from trading currency derivative financial instruments	7,667,789	5,777,918
Income from gold trading	46,496	-
Expenses for trading foreign currencies	(10,168,888)	(4,488,606)
Expenses for spot trading foreign currencies	(998,350)	(367,087)
Expenses for trading currency derivative financial instruments	(9,144,672)	(4,121,519)
Expense for gold trading	(25,866)	-
Net gain from trading foreign currencies	4,106,205	4,262,766

29. NET (LOSS) FROM TRADING SECURITIES AND INVESTMENT SECURITIES

29.1 Net gain from trading securities

	Current year	Prior year
	VND Million	VND Million
Income from trading securities	4,804	796
(Expense) for trading securities	(1,724)	(5,256)
Net gain/(loss) from trading securities	3,080	(4,460)

29.2 Net (loss) from investment securities

	Current year	Prior year
	VND Million	VND Million
Income from trading investment securities	6,143	29,258
(Expenses) for trading investment securities	(2,041)	(2,396)
(Appropriation) of provision for impairment of investment securities	(291,778)	(45,824)
Net (loss) from trading investment securities	(287,676)	(18,962)

30. NET GAIN FROM OTHER ACTIVITIES

	Current year	Prior year
	VND Million	VND Million
Other operating income	10,569,077	7,000,462
Income from recovery of bad debts	8,341,644	4,607,782
Income from transfer, disposals of assets	14,715	10,303
Income from other derivatives	1,111,456	1,222,853
Other income	1,101,262	1,159,524
Other operating expenses	(2,141,843)	(1,168,796)
Expense for trading other derivatives	(1,659,060)	(868,521)
Expense for transfer, disposals of assets	(2,641)	(2,591)
Other expenses	(480,142)	(297,684)
Net profit from other activities	8,427,234	5,831,666

31. INCOME FROM CAPITAL CONTRIBUTION, EQUITY INVESTMENTS

	Current year	Prior year
	VND Million	VND Million
Dividends income from capital contributions and equity investment for the year		
- From investment equity securities	2,776	14,546
- From long-term investments	69,095	613,060
	<u>71,871</u>	<u>627,606</u>

32. OPERATING EXPENSES

	Current year	Prior year
	VND Million	VND Million
Taxes, fees and charges	24,297	17,963
Staff cost	12,167,098	10,912,728
- Salaries and allowances	10,147,527	9,295,153
- Salary-based expenses	812,880	567,267
- Other allowances	4,347	2,675
- Other expenses	1,202,344	1,047,633
Expenses for fixed assets	2,765,408	2,629,804
- Depreciation and amortisation expenses	987,307	972,683
- Others	1,778,101	1,657,121
Expenses for operating management	4,780,009	4,596,643
- Per diems	194,177	190,403
- Expenses for union activities	11,011	24,796
- Others	4,574,821	4,381,444
Insurance premium for customers' deposits	1,117,306	983,188
(Appropriation)/Reversal of provision (excluding provision expenses for credit risks, provision for securities)	-	48,664
	<u>20,854,118</u>	<u>19,188,990</u>

33. CORPORATE INCOME TAX EXPENSE ("CIT")

	Current year	Prior year
	VND Million	VND Million
Profit before corporate income tax	30,360,827	24,194,199
Add back/(less):		
- Non-taxable dividend income and profits received	(71,871)	(627,606)
- Others	220,040	120,461
Taxable profit	30,508,996	23,687,054
Corporate income tax rate	20%	20%
CIT expense calculated based on tax rate	6,101,799	4,737,411
Total CIT for the year	6,101,799	4,737,411
CIT payable at the beginning of the year	3,059,788	2,939,383
CIT paid in the year	(5,821,627)	(4,623,873)
Adjustment for previous year's CIT	(61,406)	6,867
Net CIT payable at the end of the year	<u>3,278,554</u>	<u>3,059,788</u>

34. CASH AND CASH EQUIVALENTS

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

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Cash	11,009,260	9,610,410
Balances with the SBV	34,431,153	40,596,555
Current deposits at other credit institutions	242,404,919	187,679,595
Deposits at other credit institutions with terms not exceeding 3 months	86,273,349	35,484,562
	<u>374,118,681</u>	<u>273,371,122</u>

35. EMPLOYEE'S INCOME

	<u>Current year</u>	<u>Prior year</u>
I. Total average number of employees during the year (person)	22,282	22,370
II. Employees' income (VND Million)		
1. Total salary fund	10,147,527	9,295,153
2. Other allowances	177,047	179,590
3. Total income (1+2)	<u>10,324,574</u>	<u>9,474,743</u>
4. Average monthly salary	<u>37,95</u>	<u>34,63</u>
5. Average monthly income	<u>38,61</u>	<u>35,30</u>

36. TYPES AND BOOK VALUE OF COLLATERALS AND MORTGAGES

Assets, valuable papers used as mortgage, pledge and discount, rediscount

Details of the book value of customers' collaterals and mortgages at the Bank at the end of the year are as follows:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Real estate	2,323,513,931	2,036,027,054
Movable assets	81,577,076	69,220,430
Deposits, gold, precious metals, gemstones, valuable papers	256,026,976	232,233,769
Other assets	607,355,032	659,180,507
	<u>3,268,473,015</u>	<u>2,996,661,760</u>

As at 31 December 2024, the Bank did not hold any collateral which the Bank is permitted to sell to or re-pledge to a third party in case the customer (owner of the collaterals) is able to pay off the debt according to the law.

37. TRUST AND AGENCY ACTIVITIES FOR CREDIT INSTITUTIONS

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>VND Million</u>	<u>VND Million</u>
Risk-free trusted fund operations	11,363	14,206
Agency service	9,078,148	7,589,698
	<u>9,089,511</u>	<u>7,603,904</u>

38. OFF-BALANCE-SHEET ITEMS WHERE THE BANK BEARS SIGNIFICANT RISKS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Contingent liabilities	190,190,976	166,941,542
Credit guarantees	15,390,290	8,785,288
Letters of Credit (L/C) commitments	66,676,985	55,973,190
Other guarantees	108,123,701	102,183,064
Commitments	866,838,307	794,458,832
Foreign exchange transaction commitments	803,727,044	725,754,038
Other commitments	63,111,263	68,704,794

39. UNCOLLECTED INTEREST INCOME AND FEES

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Uncollected loan interest	10,079,850	8,970,066
Uncollected interest from securities	344,222	435,237
Uncollected fees	124,124	111,545
	<u>10,548,196</u>	<u>9,516,848</u>

40. BAD DEBTS WRITTEN-OFF

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Principals of written off bad debts under observation	92,222,046	82,961,862
Interests of written off bad debts under observation	71,789,969	64,220,770
Other written off bad debts	1,362	1,362
	<u>164,013,377</u>	<u>147,183,994</u>

41. OTHER ASSETS AND VALUABLE PAPERS

	<u>Closing balance</u>	<u>Opening balance</u>
	VND Million	VND Million
Other assets in custody	3,127,746	3,127,399
Outsourced assets	12,129,496	11,590,006
Other valuable papers in custody	108,676,403	69,438,055
	<u>123,933,645</u>	<u>84,155,460</u>

42. RELATED PARTY BALANCES AND TRANSACTIONS

Details of significant transactions with related parties during the year ended 31 December 2024 are as follows:

Related parties	Relationship	Transactions	Current year	Prior year
			VND Million	VND Million
The State Bank of Vietnam	Direct owner and management agency	Increase in deposits at the SBV	(6,165,402)	10,869,948
		Increase/(Decrease) in borrowings from the SBV	8,745,982	(969,742)
The Bank of Tokyo-Mitsubishi UFJ	Strategic shareholder		486	79
		Interest income from deposits		
		Interest expenses of deposits	10,660	2,421
		Interest expenses of borrowings	12,326	184,044
Indovina Bank Limited	Joint venture	Interest income from deposits	38,726	23,886
		Interest expenses of deposits	31,104	54
		Dividends received	-	359,634
Subsidiaries	Subsidiaries	Interest income from deposits	143,638	163,623
		Interest income from loans	-	11,709
		Interest expenses of deposits	36,417	47,063
		Profit received	61,840	192,525

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

Related parties	Relationship	Balance	Receivables/(Payables)	
			Closing balance	Opening balance
			VND Million	VND Million
The State Bank of Vietnam	Direct owner and management agency	Deposits at the SBV	34,431,153	40,596,555
		Borrowings from the SBV	(9,512,869)	(766,887)
The Bank of Tokyo-Mitsubishi UFJ	Strategic shareholder	Deposits at the Bank	(327,299)	(180,918)
		Deposits of the Bank	37,680,280	196,921
		Borrowings of the Bank	-	(714,098)
		Accrued interest income	193	-
		Accrued interest expenses	-	(3,051)
Indovina Bank Limited	Joint venture	Deposits at the Bank	(10,033,469)	(22,098)
		Deposits of the Bank	13,150,662	483
		Accrued interest income	25,398	-
		Accrued interest expenses	(27,511)	-
		Deposits at the Bank	(1,678,298)	(1,788,565)
Subsidiaries	Subsidiaries	Deposits of the Bank	3,419,564	2,664,931
		Borrowings from the Bank	-	-
		Accrued interest income	12,677	8,000
		Accrued interest expenses	(16,514)	(24,349)

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

Name	Title	Appointment/ Resignation Date	Current year VND Million	Prior year VND Million
BOARD OF DIRECTORS				
Mr. Tran Minh Binh	Chairman		2,583	2,485
Mr. Cat Quang Duong	Independent Member	Appointed on 27 April 2024	1,200	-
Mr. Nguyen Duc Thanh	Member		2,140	2,064
Mr. Nguyen The Huan	Member		1,938	1,869
Ms. Pham Thi Thanh Hoai	Member		1,694	1,631
Mr. Tran Van Tan	Member		1,712	1,650
Mr. Le Thanh Tung	Member		1,694	1,631
Mr. Nguyen Viet Dung	Member	Appointed on 17 October 2024	340	-
Ms. Nguyen Thi Bac	Independent Member	Resigned from 27 April 2024	600	1,800
Ms. Tran Thu Huyen	Member	Resigned from 23 April 2024	791	2,175
Member nominated by MUFJ partner (*)	Member		452	441
Board of Supervisors				
Ms. Le Anh Ha	Chief Supervisor		1,684	1,626
Ms. Nguyen Thi Anh Thu	Member		1,270	1,264
Ms. Pham Thi Thom	Member		985	965
BOARD OF MANAGEMENT				
Mr. Nguyen Tran Manh Trung	General Director	Appointed on 17 October 2024 (Deputy General Director to 16 October 2024)	1,910	1,789
Mr. Do Thanh Son	Deputy General Director	In charge of the Board of Management to 17 October 2024	2,303	2,033
Ms. Le Nhu Hoa	Deputy General Director		1,901	1,832
Mr. Le Duy Hai	Deputy General Director		1,777	1,654
Mr. Tran Cong Quynh Lan	Deputy General Director		2,379	2,236
Mr. Hoang Ngoc Phuong	Deputy General Director	Resigned on 28 March 2024	466	1,678
Mr. Nguyen Dinh Vinh	Deputy General Director	Resigned on 18 December 2024	2,176	1,977
Mr. Nguyen Hoang Dung	Deputy General Director	Resigned on 01 September 2023	-	1,645
Mr. Nguyen Hai Hung	Chief Accountant		1,991	1,927

(*) Member nominated by MUFJ partner includes:

Name	Title	Appointment/Resignation Date
Mr. Koji Iriguchi	Member	
Mr. Takeo Shimotsu	Member	Appointed on 27 April 2024
Mr. Masashige Nakazono	Member	Resigned on 27 April 2024

43. CONCENTRATION OF ASSETS, LIABILITIES AND OFF-BALANCE-SHEET ITEMS BY GEOGRAPHICAL REGIONS AS AT 31 DECEMBER 2024

	Total loan balance	Total deposits	Credit commitments	Derivatives (Difference between debit - credit)	Trading and investment securities (Difference between debit - credit)
	VND Million	VND Million	VND Million	VND Million	VND Million
Domestic	1,708,418,568	1,999,968,006	189,951,212	(398,121)	211,317,063
Overseas	3,901,670	843,488	239,764	-	-
	<u>1,712,320,238</u>	<u>2,000,811,494</u>	<u>190,190,976</u>	<u>(398,121)</u>	<u>211,317,063</u>

44. 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 researching and applying international practices to its governance. In particular, the Bank has met requirement of the SBV in accordance with Basel II with the standards of risk management, capital management, information provision and has been implementing works related to internal and advanced calculation methods 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 2024, 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 financial risks, 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 regulatory authorities and regulations of the SBV; and has gradually met requirements for risk management.

45. 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-capital 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 (in VND, USD, and EUR equivalent) 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 part in USD, EUR and other foreign currencies. According to each period's business plan, the Bank has a currency position in its capital trading activities when making financial transactions on the market. The Bank sets limits for positions of each main currency based on the Bank's risk appetite, internal risk capacity and regulations of relevant regulatory authorities.

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.

The book value of cash assets and cash liabilities denominated in foreign currencies as at 31 December 2024 are as follows:

ITEMS	EUR equivalent VND Million	USD equivalent VND Million	Other currency equivalent VND Million	Total VND Million
Assets				
Cash	254,872	1,044,540	108,784	1,408,196
Balances with the State Bank of Vietnam	6,475	9,309,232	-	9,315,707
Placements with and loans to other credit institutions	1,247,608	83,359,404	100,822,493	185,429,505
Loans to customers (*)	1,623,350	78,478,588	120,736	80,222,674
Fixed assets	30,487	-	-	30,487
Other assets (*)	1,514,792	504,572	62,740	2,082,104
Total assets	4,677,584	172,696,336	101,114,753	278,488,673
Liabilities				
Deposits and borrowings from other credit institutions	241,119	26,154,081	73,837,211	100,232,411
Deposits from customers	2,571,935	95,313,801	1,498,295	99,384,031
Derivative financial instruments and other financial liabilities	426,154	41,707,688	25,614,713	67,748,555
Grants, trusted funds and borrowings where the Bank bears risks	121,921	1,555,007	-	1,676,928
Valuable papers issued	-	71	-	71
Other liabilities	951,598	678,381	112,728	1,742,707
Total liabilities	4,312,727	165,409,029	101,062,947	270,784,703
Balance sheet currency position	364,857	7,287,307	51,806	7,703,970

(*) Excluding provision.

46. 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 separate 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; balances with the SBV; fixed assets; capital contribution, long-term investments and other liabilities are classified as non-interest-bearing items;
- 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 with fixed interest rates;
- The effective interest rate re-pricing term of placements with and loans to other credit institutions; derivative financial instruments and other financial assets; 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; and
 - 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.

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 and efficiency as well. 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 profit plan 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, in which the former is more focused.

Interest rate risk management at the portfolio level

- Since 2013, 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 provides 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 loans 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 prevention 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.
- Management through the Fund Transfer Pricing (FTP) system: the Bank has completed and continuously improved the internal fund transfer pricing system (FTP), which enhanced the Bank's centralized management of capital and interest. Depending on the orientation of the Bank and the market movements, the Head Office can change the fund transfer price for each type of customers or products, etc. to give signals for the business units to determine their lending/capital mobilization rates for each transaction.

VIETNAM JOINT STOCK COMMERCIAL BANK FOR INDUSTRY AND TRADE
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	Non-interest bearing VND Million	Overdue		Current						Total VND Million
		Over 03 months	Up to 03 months	Up to 01 month	From 01 to 03 months	From 03 to 06 months	From 06 to 12 months	From 01 to 05 years	Over 05 years	
		VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	
Assets										
Cash	11,009,260	-	-	-	-	-	-	-	-	11,009,260
Balances with the State Bank of Vietnam	34,431,153	-	-	-	-	-	-	-	-	34,431,153
Placements with and loans to other credit institutions	-	-	-	319,141,987	28,122,123	25,114,936	2,484,860	-	-	374,863,906
Loans to customers (*)	108,176	21,334,431	22,664,582	412,246,616	472,680,547	535,781,478	157,830,714	84,421,945	1,640,100	1,708,708,589
Investment securities (*)	3,880,944	386,778	-	6,150,000	20,725,530	30,050,000	58,150,000	28,549,000	63,424,811	211,317,063
Capital contribution, long-term investments	5,835,582	-	-	-	-	-	-	-	-	5,835,582
Fixed assets	9,745,660	-	-	-	-	-	-	-	-	9,745,660
Other assets (*)	40,300,746	79,585	-	563,671	362,535	121,308	37,520	-	-	41,465,365
Total assets (*)	105,311,521	21,800,794	22,664,582	738,102,274	521,890,735	591,067,722	218,503,094	112,970,945	65,064,911	2,397,376,578
Liabilities										
Borrowings from the Government and the SBV	-	-	-	96,401,051	57,395,000	104,547	383,506	-	-	154,284,104
Deposits and borrowings from other credit institutions	-	-	-	262,177,947	2,552,681	2,671,108	37,520	-	-	267,439,256
Deposits from customers	-	-	-	718,236,957	323,237,510	245,035,120	261,646,345	55,124,796	140,363	1,603,421,091
Derivative financial instruments and other financial liabilities	-	-	-	398,121	-	-	-	-	-	398,121
Grants, trusted funds and borrowings where the Bank bears risks	-	-	-	-	1,544,138	535,365	-	-	-	2,079,503
Valuable papers issued	-	-	-	1,132,230	4,624,620	27,996,530	104,979,510	4,525,700	8,595,000	151,853,590
Other liabilities	37,946,821	-	-	-	-	-	-	-	-	37,946,821
Total liabilities	37,946,821	-	-	1,078,346,306	389,353,949	276,342,670	367,046,881	59,650,496	8,735,363	2,217,422,486
Balance sheet net interest gap	67,364,700	21,800,794	22,664,582	(340,244,032)	132,536,786	314,725,052	(148,543,787)	53,320,449	56,329,548	179,954,092

(*) Excluding provision

47. LIQUIDITY RISK

Liquidity risk is defined as the risk that the Bank has difficulties in meeting obligations associated with its financial liabilities. Liquidity risk arises when the Bank might be unable to meet its payment obligations at their due dates under normal or difficult scenarios or when the Bank has to mobilize funds at higher cost to meet its payment obligations.

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 monthly 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 secondary 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 for the Bank.

The maturity of assets and liabilities represents the remaining time from the reporting date of the separate 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 and balances with the SBV are classified into maturity up to one month;
- The maturity terms of placement 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 risk; other liabilities are determined based on the contractual maturity date;
- 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 date of capital contribution, long-term investments is classified as over five (05) years as these investments have no defined maturity;
- The maturity term of deposits from customers is determined based on customer behaviour analysis and forecasts on interest rate policy and other macroeconomic factors;
- The maturity date of fixed assets is classified as five (05) years or more.

Based on the Board of Management's approval of the annual business plan, the Asset & Liability Management Department and the Financial Planning & Management Department in cooperation with some other 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 and the Financial Planning & Management Department in cooperation with the Treasury Dealing Department manage the secondary reserve through the approval of highly liquid valuable papers purchases, which could be converted into cash on the secondary market. The Asset & Liability Management Department together with the Financial Planning & Management Department in cooperation 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 SBV's regulations, the Asset & Liability Management Department and the Financial Planning & 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 other 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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	Overdue		Current					
	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	Over 05 years	Total
	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million	VND Million
Assets								
Cash	-	-	11,009,260	-	-	-	-	11,009,260
Balances with the SBV	-	-	34,431,153	-	-	-	-	34,431,153
Placements with and loans to other credit institutions	-	-	319,141,987	28,122,123	27,599,796	-	-	374,863,906
Loans to customers (*)	21,334,431	22,664,582	98,787,026	417,715,130	657,817,109	209,176,961	281,213,350	1,708,708,589
Investment securities (*)	386,778	-	10,030,944	20,725,530	88,200,000	28,549,000	63,424,811	211,317,063
Capital contribution, long-term investments	-	-	-	-	-	-	5,835,582	5,835,582
Fixed assets	-	-	-	-	-	-	9,745,660	9,745,660
Other assets (*)	79,585	-	4,619,867	11,759,346	10,462,446	1,628,253	12,915,868	41,465,365
Total assets (*)	21,800,794	22,664,582	478,020,237	478,322,129	784,079,351	239,354,214	373,135,271	2,397,376,578
Liabilities								
Borrowings from the Government and the SBV	-	-	96,401,051	57,395,000	488,053	-	-	154,284,104
Deposits and borrowings from other credit institutions	-	-	262,177,946	2,552,681	2,708,629	-	-	267,439,256
Deposits from customers	-	-	197,906,478	329,113,289	666,105,456	410,133,692	162,176	1,603,421,091
Derivative financial instruments and other financial liabilities	-	-	398,121	-	-	-	-	398,121
Grants, trusted funds and borrowings where the Bank bears risks	-	-	11,386	41,674	41,674	337,531	1,647,238	2,079,503
Valuable papers issued	-	-	3,132,230	1,374,620	100,294,020	325,700	46,727,020	151,853,590
Other liabilities	-	-	17,955,606	12,213,379	6,449,099	1,328,737	-	37,946,821
Total liabilities	-	-	577,982,818	402,690,643	776,086,931	412,125,660	48,536,434	2,217,422,486
Net liquidity difference	21,800,794	22,664,582	(99,962,581)	75,631,486	7,992,420	(172,771,446)	324,598,837	179,954,092

(*) Excluding provision.

48. CREDIT RISK

Credit risk is the risk that results in the Bank's loss because its customers or counterparties default on their contractual obligations or fail to fulfil their committed obligations.

With the orientation of improving financial capacity, strictly controlling credit quality to ensure sustainable and effective growth, the Bank always makes effort to actively review and control the quality of credit portfolio, implement synchronously credit risk management at both portfolio and transaction levels. Accordingly:

- At portfolio level: in addition to establishing risk limits and annual credit orientation, the Bank regularly monitors the credit portfolio to give early warning about customers with indicators of potential risks (through Early Warning System, remote monitoring and face-to-face inspection) and strengthens credit granting secured by assets.
- At transaction level: the Bank focuses on the appraisal and thorough screening of customers, strengthens management and supervision, cash flow control and asset quality, and closely monitors customer activities to give appropriate and timely responses, minimizing the impact on the Bank's debt quality.

Maximum exposures to credit risk irrespective of collateral or their credit enhancement

Maximum exposures to credit risk irrespective of collateral or their credit enhancement for each asset class equal to the carrying amount (excluding provision) of that asset class on the separate statement of financial position as at 31 December 2024 which are presented as follows:

	Undue and unimpaired	Overdue and unimpaired	Impaired and made provision	Total
	VND Million	VND Million	VND Million	VND Million
Placements with and loans to other credit institutions	374,863,906	-	-	374,863,906
- Placements with other credit institutions	371,252,257	-	-	371,252,257
- Loans to other credit institutions	3,611,649	-	-	3,611,649
Loans to customers (*)	1,648,928,276	373,248	59,407,065	1,708,708,589
Investment securities (*)	210,930,245	-	386,818	211,317,063
- Available-for-sale investment securities (*)	184,930,245	-	40	184,930,285
- Held-to-maturity investment securities (*)	26,000,000	-	386,778	26,386,778
Total	2,234,722,427	373,248	59,793,883	2,294,889,558

(*) Excluding provision.

49. EXCHANGE RATES OF SOME FOREIGN CURRENCIES AT THE END OF THE YEAR

	Closing balance	Opening balance
	VND	VND
USD	25,498	24,255
EUR	26,563	26,796
GBP	32,024	30,843
CHF	28,235	28,822
JPY	163.05	171.19
SGD	18,727	18,369
CAD	17,747	18,306
AUD	15,853	16,519
NZD	14,349	15,329
THB	746.31	706.53
SEK	2,321	2,421
NOK	2,254	2,390
DKK	3,562	3,595
HKD	3,284	3,105
CNY	3,493	3,411
KRW	17.67	18.65
LAK	1.22	1.19
MYR	5,329	5,329
XAU	8,625,000	(*)

(*) Not incurred.

50. EVENTS AFTER THE REPORTING DATE

Except for event relating to appropriation of statutory funds and bonus and welfare funds from retained earnings in 2023 as stated in Note 24, no events occurred after the reporting date that have a material effect on the operations of the Bank, its separate financial position and the separate financial performance that require adjustment or disclosure in the separate financial statements.

Prepared by



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Approved by



Nguyen Hai Hung
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Approved by



Nguyen Tran Manh Trung
General Director

28 February 2025