



EVN FINANCE JOINT STOCK COMPANY
(Incorporated in the Socialist Republic of Vietnam)

FINANCIAL STATEMENTS

For the year ended 31 December 2024

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EVN FINANCE JOINT STOCK COMPANY

14th, 15th and 16th Floors, Tower B, EVN Building
No. 11 Cua Bac, Ba Dinh
Hanoi, S.R. Vietnam

FORM B 02a/TCTD

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

STATEMENT OF FINANCIAL POSITION*As at 31 December 2024**Unit: Million VND*

NO.	ITEMS	Notes	31 December 2024	31 December 2023
A.	ASSETS			
I.	Cash	4	4,360	1,546
II.	Balances with the State Bank of Vietnam ("SBV")	5	497,213	1,304,924
III.	Placements with and loans to other credit institutions	6	4,891,725	9,956,408
1.	Placements with other credit institutions		4,891,725	9,035,288
2.	Loans to other credit institutions		-	921,120
IV.	Trading securities	7	714,205	-
1.	Trading securities		714,205	-
V.	Derivatives financial instruments and other financial assets	17	-	116,840
VI.	Loans to customers		46,306,649	33,092,777
1.	Loans to customers	8	46,802,982	33,553,388
2.	Provisions for credit losses of loans to customers	9	(496,333)	(460,611)
VII.	Investment securities	10	1,902,188	1,560,097
1.	Available-for-sale investment securities		2,082,175	1,664,741
2.	Provisions for impairment of investment securities		(179,987)	(104,644)
VIII.	Long-term investments, capital contribution	11	1,826,477	997,591
1.	Other long-term investments		1,881,987	1,006,177
2.	Provisions for diminution in value of long-term investments		(55,510)	(8,586)
IX.	Fixed assets		65,309	75,862
1.	Tangible fixed assets	12	23,642	28,468
a.	Cost		107,534	108,382
b.	Accumulated depreciation		(83,892)	(79,914)
2.	Intangible assets	13	41,667	47,394
a.	Cost		99,074	96,377
b.	Accumulated amortisation		(57,407)	(48,983)
X.	Other assets	14	3,390,435	2,115,086
1.	Other receivables		1,958,713	545,571
2.	Interest and fee receivables		1,422,608	1,683,350
3.	Other assets		70,538	76,863
4.	Provisions for impairment of other balance sheet assets		(61,424)	(190,698)
TOTAL ASSETS			59,598,561	49,221,131

STATEMENT OF FINANCIAL POSITION (continued)
As at 31 December 2024

Unit: Million VND

STT	ITEMS	Notes	31 December 2024	31 December 2023
B.	LIABILITIES AND OWNERS' EQUITY			
I.	Deposits and borrowings from other credit institutions	15	11,734,293	10,911,760
1.	Deposits from other credit institutions		3,870,200	4,600,000
2.	Borrowings from other credit institutions		7,864,093	6,311,760
II.	Deposits from customers	16	10,210,723	3,001,537
III.	Derivative financial instruments and other financial liabilities	17	164,717	-
IV.	Grants, trusted funds and borrowings at risk of credit institution	18	8,587,674	8,016,400
V.	Valuable papers issued	19	18,556,000	17,421,000
VI.	Other liabilities	20	1,337,966	1,414,216
1.	Accrued fees and interest expenses		1,036,166	1,210,461
2.	Other payables and liabilities		301,800	203,755
	TOTAL LIABILITIES		50,591,373	40,764,913
VII.	Owners' equity	21	9,007,188	8,456,218
1.	Owners' capital		7,958,548	7,395,373
a.	Charter capital		7,605,658	7,042,483
b.	Fund for construction investment and fixed assets acquisition		2,328	2,328
c.	Capital surplus		350,562	350,562
2.	Reserves		480,140	430,883
3.	Retained earnings		568,500	629,962
	TOTAL LIABILITIES AND OWNERS' EQUITY		59,598,561	49,221,131

STATEMENT OF FINANCIAL POSITION (Continued)
As at 31 December 2024

Unit: Million VND

OFF-STATEMENT OF FINANCIAL POSITION ITEMS

NO.	ITEMS	Notes	31 December 2024	31 December 2023
1.	Commitments for foreign exchange transaction		21,125,874	-
	<i>Commitments to purchase foreign currency</i>		662,017	-
	<i>Commitments to sell foreign currency</i>		641,290	-
	<i>Commitments for cross currency swap transactions</i>		19,822,567	-
2.	Other guarantees	36	34,330	33,511
3.	Uncollectible loan interest and receivable fees	37	288,070	252,117
4.	Bad debts written-off	38	2,837,771	2,250,308
5.	Other assets and valuable papers	39	4,058,200	6,037,660
			28,344,245	8,573,596



Nguyen Thi Trang
Preparer



Tong Nhat Linh
Chief Accountant



Mai Danh Hien
General Director
17 January 2025

INCOME STATEMENT

For the accounting year from 01 January 2024 to 31 December 2024

Unit: Million VND

NO.	ITEMS		2024	2023	Fourth Quarter 2024	Fourth Quarter 2023
1.	Interest and similar income	22	4,276,780	3,993,619	1,011,041	1,120,768
2.	Interest and similar expenses	23	(2,832,445)	(3,284,594)	(718,758)	(816,046)
I.	Net interest income		1,444,335	709,025	292,283	304,722
3.	Income from services		74,791	53,319	10,570	(13,835)
4.	Expenses on services		(34,532)	(50,096)	(23,014)	(20,404)
II.	Net (loss)/gain from services	24	40,259	3,223	(13,344)	(34,299)
III.	Net (loss)/gain from trading foreign currencies	25	(43,142)	(86,500)	195	(17,478)
IV.	Net (loss)/gain from trading securities	26	15,217	-	5,096	-
V.	Net (loss)/gain from trading investment securities	27	(49,746)	315,721	(6,128)	(10,226)
5.	Other operating income		80,311	50,424	40,068	1,438
6.	Other operating expenses		(560)	(405)	8	(135)
VI.	Net gain from other activities	28	79,751	49,959	40,076	1,299
VII.	Income from capital contribution, equity investments	29	15,411	102,255	8,909	371
VIII.	Operating expenses	30	(153,005)	(297,004)	(48,277)	(82,376)
IX.	Net profit from operating activities before credit provision expenses		1,349,080	796,679	278,810	162,013
X.	Provision expenses for credit losses	31	(645,306)	(387,372)	(112,289)	(95,267)
XI.	Profit before tax		703,774	409,307	166,521	66,746
7.	Current corporate income tax expenses	34	(142,952)	(80,928)	(35,513)	(13,584)
XII.	Corporate income tax expenses		(142,952)	(80,928)	(35,513)	(13,584)
XIII.	Profit after corporate income tax		560,822	328,379	131,008	53,162
XIV.	Earnings per share (VND)	21	704	738	167	147



Nguyen Thi Trang
Preparer



Tong Nhat Linh
Chief Accountant



Mai Danh Hien
General Director
17 January 2025

CASH FLOW STATEMENT

For the accounting year from 01 January 2024 to 31 December 2024

Unit: Million VND

NO. ITEMS	2024	2023
CASH FLOW FROM OPERATING ACTIVITIES		
01. Interest and similar income received	4,534,953	3,265,191
02. Interest and similar expenses paid	(3,006,740)	(2,791,885)
03. Income received from services	42,828	19,483
04. Net cash generated from dealing in foreign currencies and trading securities	(2,328)	277,255
05. Other income/(expenses)	3,320	42,815
06. Receipts from debts written-off or paid off by risk fund	76,341	7,144
07. Payments to employees and for operating management	(209,685)	(241,750)
08. Corporate income tax paid	(81,211)	(79,585)
Operating profit before movements in assets and working capital	1,357,478	498,668
<i>Movements in operating assets</i>	<i>(16,277,701)</i>	<i>(6,053,784)</i>
09. Decrease/(increase) in securities trading	(1,131,639)	396,953
11. (Increase)/Decrease in derivatives and other financial assets	116,840	(116,840)
11. (Increase)/decrease in loans to customers	(13,249,594)	(9,200,840)
12. (Decrease) in provisions for credit losses of loans to customers	(609,584)	(370,421)
13. (Increase)/decrease in other operating assets	(1,403,724)	3,237,364
<i>Movements in operating liabilities</i>	<i>9,917,634</i>	<i>2,332,651</i>
14. Increase/ (decrease) in deposits and borrowings from other credit	822,533	(4,151,129)
15. Increase/(decrease) in deposits from customers	7,209,186	(1,134,795)
16. Increase in valuable papers issued (excluding valuable papers charged into financial activities)	1,135,000	7,167,000
17. Increase/(decrease) in grants, trusted funds and borrowings at risk of	571,274	595,067
18. (Decrease)/increase in derivative financial instruments and other	164,717	(13,371)
19. (Decrease)/increase in other operating liabilities	21,521	(40,162)
20. Cash outflows from reserves of credit institutions	(6,597)	(89,959)
I. Net cash generated from operating activities	(5,002,589)	(3,222,465)
CASH FLOWS FROM INVESTING ACTIVITIES		
01. Acquisition of fixed assets	(4,942)	(9,855)
02. Proceeds from sales, disposal of fixed assets	90	-
03. Investment in other entities	(1,207,454)	(858,971)
04. Proceeds from investment in other entities	331,851	403,000
05. Dividends and profit received from long-term investments and capital contribution	15,204	6,255
II. Net cash generated/(used in) investing activities	(865,251)	(459,571)

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

CASH FLOW STATEMENT (Continued)

For the accounting year from 01 January 2024 to 31 December 2024

Unit: Million VND

NO. ITEMS		
	2024	2023
CASH FLOWS FROM FINANCING ACTIVITIES		
01. Increase in share capital from issuing stocks	-	3,882,405
02. Dividends paid, profit received	(1,740)	(2,302)
III. Net cash generated/(used in) financing activities	(1,740)	3,880,103
IV. Net increase in cash	(5,869,580)	198,067
V. Cash and cash equivalents at the beginning of the year	11,262,878	11,064,811
VI. Cash and cash equivalents at the end of the year (Note 32)	5,393,298	11,262,878



Nguyen Thi Trang
Preparer



Tong Nhat Linh
Chief Accountant



Mai Danh Hien
General Director
17 January 2025

1. GENERAL INFORMATION

EVN Finance Joint Stock Company (the "Company") is a joint stock company incorporated in the Socialist Republic of Vietnam under License No. 187/GP-NHNN dated 07 July 2008 issued by the Governor of the State Bank of Vietnam ("SBV") which is amended under Decision No. 958/QĐ-NHNN dated 20 May 2024. According to the Business Registration Certificate of Joint Stock Company No. 0102806367 dated 08 July 2008 amended for the 18th time on 26 December 2023 issued by the Hanoi Department of Planning and Investment. The charter capital of the Company as at 31 December 2024 is VND 7,605,658,020,000.

Network and operations

The head office of the Company is located at 14th, 15th and 16th floors of Tower B, EVN Building, 11 Cua Bac, Ba Dinh District, Hanoi. As at 31 December 2024, the Company has one (01) head office and two (02) branches in Da Nang and Ho Chi Minh City.

The primary activities of the Company include:

- ▶ Capital mobilization includes receiving deposits, issuing certificates of deposits, bills, bonds; borrowing from domestic and foreign financial organizations and credit institutions under prevailing regulations; receiving refinancing loans from the SBV;
- ▶ Credit activities include providing loans and consumer credit; discounting, re-discounting commercial papers and other valuable papers; and
- ▶ Other finance and banking activities include opening and managing deposit accounts and credit accounts for customers; contributing capital and purchasing shares; providing insurance agency services; providing consultancy services; providing asset management services; trading treasury bonds; trading foreign currencies.

Employees

As at 31 December 2024, the total number of employees of the Company was 289 (31 December 2023: 314).

Board of director

Members of the Board of Director of the Company during the year and at the date of this report are as follows:

Mr. Pham Trung Kien	Chairman	Appointed on 24 March 2023
Mr. Le Manh Linh	Deputy chairman	Appointed on 16 May 2024
	Member	Re-appointed on 17 March 2023
Mr. Mai Danh Hien	Member	Appointed on 17 March 2023
Mr. Nguyen Trung Thanh	Member	Appointed on 17 March 2023
Mr. Le Hoai Nam	Independent member	Appointed on 17 March 2023
Mr. Nguyen Van Hai	Independent member	Appointed on 17 March 2023

Management

Members of the Management during the year and at the date of this report are as follows:

Mr. Mai Danh Hien	Chief Executive Officer ("CEO")	Appointed on 06 July 2023
Mr. Dao Le Huy	Deputy CEO	Appointed on 15 April 2020
Mr. Hoang The Hung	Deputy CEO	Appointed on 15 June 2020
		Resigned on 01 April 2024
Mr. Le Anh Tuan	Deputy CEO	Appointed on 15 September 2015
Ms. Ton Thi Hai Yen	Deputy CEO	Appointed on 01 February 2023
Mr. Lam Nguyen Thien Nhon	Deputy CEO	Appointed on 01 February 2023

Mr. Hoang Nhat Nam	Director of Ho Chi Minh Branch	Resigned on 08 March 2024
Mr. Mai Xuan Dong	Director of Da Nang Branch	Appointed on 15 July 2023
Mr. Nguyen Tien Sy	Director of Hanoi Branch	Appointed on 1 July 2012
Mr. Tong Nhat Linh	Chief Accountant	Appointed on 10 December 2024
		Appointed on 1 April 2021

Board of supervision

Members of the Board of supervision during the year and at the date of this report are as follows:

Mr. Le Long Giang	Head of the Board	Appointed on 20 March 2023
	Member	Appointed on 17 March 2023
Ms. Le Khanh Ngoc	Member	Appointed on 17 March 2023
Mr. Nghiem Khac Dat	Member	Appointed on 17 March 2023

2. ACCOUNTING CONVENTION AND FISCAL YEAR

Fiscal year

The Company's fiscal year begins on 01 January 2024 and ends on 31 December 2024.

Accounting currency

The financial statements are prepared in Vietnam Dong ("VND"), which is also the accounting currency of the Company. To preparing the financial statements, all amounts are rounded to the nearest million and presented in VND million. This presentation makes no impacts on the readers' view of the Company's financial position, the results of its operations and its cash flows.

APPLIED ACCOUNTING STANDARDS AND SYSTEM

Applied accounting standards and system

The financial statements of the Company are prepared in VND million and in accordance with the Accounting System applicable to Credit Institutions required under Decision No. 479/2004/QĐ-NHNN issued on 29 April 2004 on promulgating the charts of accounts of credit institutions and the regulations amending and supplementing Decision No. 479/2004/QĐ-NHNN; Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 on the financial reporting regime applicable to credit institutions and the regulations amending and supplementing Decision No. 16/2007/QĐ-NHNN, Vietnam Accounting Standard No. 27 - Financial statements and other Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

Accordingly, the accompanying financial statements, including their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures, and practices and furthermore are not intended to present the financial position, results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

Items which are not presented in the financial statements according to the financial reporting regime applicable to credit institutions issued by the SBV under Decision No. 16/2007/QĐ-NHNN and other relevant amending and supplementing regulations indicate nil balance.

Statement of compliance

Management of the Company confirms that the accompanying financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions, and other statutory requirements relevant to the preparation and presentation of financial statements

Assumptions and uses of accounting estimates

The presentation of the financial statements requires Management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the income, expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty, and actual results may differ resulting in future changes in such provision.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and cash equivalents

Cash and cash equivalents comprise cash, demand deposits at the SBV, demand deposits and placements with other credit institutions with an original maturity of three months or less from the transaction date, which are highly liquid, readily convertible into known amounts of cash and subject to an insignificant risk of change into cash.

Placements with and loans to other credit institutions

Placements with and loans to other credit institutions are presented at the principal amounts outstanding at the reporting date.

The classification for credit risk of placements with and loans to other credit institutions and the corresponding provision for credit losses are made in accordance with Circular No. 31/2024/TT-NHNN dated 30 June 2024 of the SBV guiding the classification of assets in the operation of credit institutions, foreign banks' branches ("Circular 31") and Decree No. 86/2024/ND-CP dated 11 July 2024 regulating the levels and methods of risk provisioning, the use of provision against credit risks in the operation of credit institutions, foreign banks' branches, and cases in which credit institutions allocate forgivable interest ("Decree 86"). Accordingly, the Company makes specific provision for placements with (except for current accounts at credit institutions, foreign banks' branches, placements with social policy banks according to the regulations of the Governor of the SBV on the state credit institutions' maintenance of placement balances with social policy banks and except for current accounts at oversea credit institutions) and loans to other credit institutions according to the method as described in Note 6.

According to Circular 31, the Company is not required to make general provisions for placements with and loans to other credit institutions.

Loans to customers

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

Allowance for credit losses of loans to customers is accounted and presented in a separate line in the statement of financial position.

Short-term loans are those of which maturity is equal or less than one (01) year from the disbursement date. Mid-term loans are those of which maturity is from one (01) year to five (05) year from the disbursement date. Long-term loans are those of which maturity is above five (05) year from the disbursement date.

Loan classification and allowance for credit losses are made according to Circular 31.

Loan classification and provision for credit losses applied to deposits with other credit institutions, purchased debts and loans to customers

The Company applies the quantitative method prescribed in Article 10 of Circular 31 in classifying debts for the following assets: placements with and credit granting to other financial institutions, credit institutions; investments and trusted investments in unlisted corporate bonds (including unlisted bonds issued by other credit institutions); loans to customers; entrusted for credit granting by the Company; debt trading according to regulations; repos of Government bonds on the stock market; purchases of promissory notes, treasury bills and certificates of deposit issued by other credit institutions and foreign banks' branches (collectively called "debts").

Debt classification for placements and credit granting to financial institutions, other credit institutions, purchase and entrustment to purchase unlisted corporate bonds, loans to customers, entrustment of credit granting and other receivables subject to other credit risks (collectively called "debts") are carried out by the quantitative method specified in Article 10 of Circular 31.

However, in several specific cases, loan classification will be referred to some qualitative factors (if any). The Company classifies a loan into high-risk category when, after implementing loan-collecting methods such as calling, texting, reminding and paying a visit to the customer, and:

- ▶ The customer is in financial difficulty, such as unemployment or undesired events (accidents or illnesses...), leading to late payment;
- ▶ The customer is uncontactable;
- ▶ The customer has sold the house or fled after the loan disbursement;
- ▶ The customer has decreased or is in prison, and the relatives cannot pay off the loan;
- ▶ The ability to pay off the loan of the customer decreases constantly when assessed.

Debts are classified into the following groups: Current, Special Mention, Sub-standard, Doubtful and Loss which are specified in Circular 31. Debts which are classified as Sub-standard, Doubtful and Loss are considered bad debts.

The specific provision rates for each group are presented as follows:

Group		Loan classification using the quantitative method	Loan classification using the qualitative method	Provision rate
1	Current	<p>(a) Standard debts are assessed as fully and timely recoverable; or</p> <p>(b) Debts are overdue for a period of less than 10 days and assessed as fully recoverable for both overdue principals and interests, and fully and timely recoverable for both remaining principals and interests; or</p> <p>(c) Debts are classified into group 1 as provided in Clause 2, Article 10 of Circular 31.</p>	Debts are assessed as fully and timely recoverable for both principals and interests.	0%
2	Special Mention	<p>(a) Debts are overdue for a period between 10 days and 90 days; or</p> <p>(b) Debts which the repayment terms are restructured for the first time, except for those provided in Point b, Clause 2, Clause 3, Article 10 of Circular 31; or</p> <p>(c) Debts are classified into group 2 as provided in Clause 2, Clause 3, Article 10 of Circular 31.</p>	Debts are assessed as fully recoverable for both principals and interests but there is a sign that customers decline ability to pay for the debt.	5%
3	Sub-standard	<p>(a) Debts are overdue for a period between 91 days and 180 days; or</p> <p>(b) Debts which the repayment terms are extended for the first time; or</p> <p>(c) Debts which interests are exempted or reduced because customers do not have sufficient capability to repay all interests under credit contracts; or</p> <p>(d) Debts under one of the following cases which have not been recovered in less than 30 days from the date of the recovery decision:</p> <ul style="list-style-type: none"> ▶ Debts made in compliance with Clause 1, 3, 4, 5, 6 under Article 134 of Law on Credit Institutions; or ▶ Debts made in compliance with Clause 1, 2, 3, 4 under Article 135 of Law on Credit Institutions; or ▶ Debts made in compliance with Clauses 1, 2, 5, 9 under Article 136 of Law on Credit Institutions. <p>(e) Debts that are not overdue but classified into group 3 according to inspection conclusions; or</p> <p>(f) Debts are required to be recovered according to the early debt recovery decision of a bank or non-bank credit institution due to the customer's violation of the agreement with the bank or non-bank credit institution and still outstanding with an overdue period of less than 30 days from the date of the recovery decision; or</p> <p>(g) Debts are classified into group 3 as provided in Clause 2, Clause 3, Article 10 of Circular 31; or</p> <p>(h) Debts are classified into group 3 as provided in Clause 4, Article 8 of Circular 31.</p>	Debts are assessed as not fully recoverable for both principals and interests when due, and possibly lost.	20%

4	Doubtful	<p>(a) Debts are overdue for a period of between 181 days and 360 days, except for debts provided in Clause 3, Article 10 of Circular 31; or</p> <p>(b) Debts of which the repayment terms are restructured for the first time but still overdue for a period of 90 days under that restructured repayment term, except for debts provided in Clause 3, Article 10 of Circular 31; or</p> <p>(c) Debts which the repayment terms are restructured for the second time, except for debts provided in Point b, Clause 2, Clause 3, Article 10 of Circular 31; or</p> <p>(d) Debts are specified in Point c(iv), Clause 1, Article 10 of Circular 31 and overdue for a period of between 30 days and 60 days from the date of the recovery decision; or</p> <p>(e) Debts are required to be recovered under regulatory inspection conclusions but still outstanding with an overdue period of 60 days or less since the recovery date as required by regulatory inspection conclusions; or</p> <p>(f) Debts are required to be recovered according to the early debt recovery decision of a bank or non-bank credit institution due to the customer's violation of the agreement with the bank or non-bank credit institution and still outstanding with an overdue period of between 30 days and 60 days from the date of the recovery decision; or</p> <p>(g) Debts are classified into group 4 as provided in Clause 2, Clause 3, Article 10 of Circular 31; or</p> <p>(h) Debts are classified into group 4 as provided in Clause 4, Article 8 of Circular 31.</p>	Debts are assessed as being a highly possible loss.	50%
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5	Loss	<p>(a) Debts are overdue for a period of more than 360 days; or</p> <p>(b) Debts which the repayment terms are restructured for the first time but still overdue for a period of 91 days or more under that first restructured repayment term; or</p> <p>(c) Debts which the repayment terms are restructured for the second time but still overdue under that second restructured repayment term; or</p> <p>(d) Debts which the repayment terms are restructured for the third time or more, except for debts as provided in Point b, Clause 2, Article 10 of Circular No. 31; or</p> <p>(e) Debts are specified in Point c(iv), Clause 1, Article 10 of Circular 31 and overdue for a period of more than 60 days from the date of the recovery decision; or</p> <p>(f) Debts are required to be recovered under regulatory inspection conclusions but still outstanding with an overdue period of more than 60 days since the recovery date as required by regulatory inspection conclusions; or</p> <p>(g) Debts are required to be recovered according to the early debt recovery decision of a bank or non-bank credit institution due to the customer's violation of the agreement with the bank or non-bank credit institution and still outstanding with an overdue period of more than 60 days from the date of the recovery decision; or</p> <p>(h) Debts of credit institutions under special control, foreign banks' branches of which capital and assets are being frozen; or</p> <p>(i) Debts are classified into group 5 as provided in Clause 3, Article 10 of Circular 31; or</p> <p>(j) Debts are classified into group 5 as provided in Clause 4, Article 8 of Circular 31.</p>	Debts are assessed as not recoverable.	100%
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Specific provision for debts

The specific provision as at 31 December is determined by the outstanding amount after deducting the value of collateral that have been deducted, multiplied by the provision rate according to the debt group classification as at 31 December. The basis to determine the value and the deductible value of each category of collateral is specified in Decree 86.

The Company makes specific provision for customers having restructured loan repayment schedules and having interest exemption or reduction in accordance with the provisions of Circular 03 (if any) as follows:

- ▶ Determine the specific provision for all outstanding loans of customers according to the results of loan classification in accordance with Circular 31: (A)
- ▶ Determine the specific provision for the outstanding balance of the unchanged loan group in accordance with Circular 31 and for the remaining balance of the customer in accordance with Circular 31: (B)
- ▶ Additional specific provision (C) equal to the difference (A) – (B) is made as follows:
 - As at 31 December 2021: At least 30% of the additional specific provision;

- As at 31 December 2022: At least 60% of the additional specific provision;
- As at 31 December 2023: 100% of the additional specific provision.

General provision for debts

According to Decree 86, General provision for debts as at 31 December is set at 0.75% of the total balance of loans as at 31 December, except for placements at and loans to other financial and credit institutions; loans and purchases of term valuable papers between credit institutions; debts that are classified into the group of loss; purchases of promissory notes and bills; Certificates of deposit and bonds issued domestically by credit institutions and foreign banks' branches; Government bond repurchases.

Treatment for credit risk

Provision is recognized as an expense in income statement and used as a treatment for bad debts. According to Decree 86, Company establishes Risk Treatment Committee to handle bad debts once they are classified into group 5, or once the customers have gone into dissolution, bankruptcy, or if individual customers are decreased or have gone missing.

Debt sale

According to Circular No. 18/2022/TT-NHNN ("Circular 18") dated 26 December 2022 amendments to Circular No. 09/2015/TT-NHNN dated 17 July 2015 of Governor of State Bank of Vietnam prescribing debt trading of credit institutions and foreign bank branches, debts sold are handled and recorded as follows:

- a. Regarding a debt whose principal is recorded on balance sheet
 - ▶ The debt collection shall follow the rule: the debt principal must be collected before interests;
 - ▶ Where the selling price is greater than or equal to the book value of the traded debt on statement of financial position, the remaining difference (if any) between the selling price and the book value of the traded debt on balance sheet after deducting the amount of debt principal and interests collected shall be recorded as the Company's income;
 - ▶ Where the selling price is smaller than the book value of the traded debt on statement of financial position, in addition to the proceeds earned from the selling of debt, the compensation (in case the loss of assets is due to subjective reasons and compensation must be paid in accordance with regulations on financial policies of credit institutions and foreign bank branches), and the insurance payout (if any) shall be used for collecting debt. If the debt is still not yet collected in full after using the proceeds earned from the selling of debt, compensation and insurance payout as prescribed, the following provisions shall apply:
 - Regarding the uncollectible principal amount: The Company shall use provision to cover which is set up as expense and then, by financial reserve fund. If the Company's financial reserve fund is still not sufficient to do so, the deficit shall be recorded as other expenses in the year. Upon completion of the abovementioned financial settlement steps, the uncollectible principal amount shall be removed from the statement of financial position;
 - Regarding uncollectible interests: If the outstanding interest is recorded as income on statement of financial position, the Company shall record it as a decrease in income or as its expenses in accordance with regulations on financial policies of credit institutions and foreign bank branches. If the outstanding interest is recorded on off - statement of financial position, it shall be removed from off-balance sheet.
- b. Regarding debts recorded as off - statement of financial position items

The Company shall remove the debts sold from the off - statement of financial position and record the proceeds from the selling of debts (at the selling price) as incomes;
- c. Regarding debts removed from off - statement of financial position

The proceeds earned from the selling of debts shall be included in the Company's incomes.

Investment securities

Trading securities

Securities held for trading include debt securities acquired and held for resale. Securities held for trading are initially recognized at cost.

Gains or losses from sales of securities held for trading are recognized in "Net gain from trading securities" of the income statement. Securities held for trading are derecognized when the rights to receive cash flows from these securities have been terminated or the Company has transferred substantially all the risks and rewards of ownership of these securities

Available-for-sale securities

Available-for-sale securities include debt and equity securities listed on securities markets held by the Company for the investment and available for sale purposes, not regularly traded but can be sold when there is a benefit.

Available-for-sale equity securities are initially recognized at cost at the purchase date and continuously presented at cost in subsequent periods.

Available-for-sale debt securities are recognized at par value at the transaction date. Accrued interest (for debt securities with interest payment in arrears) and deferred interest (for debt securities with interest payment in advance) is recognized in a separate account. Discount/premium, which is the difference between the cost and the amount being the par value plus (+) accrued interest (if any) or minus (-) deferred interest (if any) is also recognized in a separate account.

In subsequent periods, these securities are continuously recorded at par value, and the discount/premium (if any) is amortized to the income statement on a straight-line basis over the remaining terms of securities. The interest received in arrears is recorded as follows: Cumulative interest incurred before the purchase date is recorded as a decrease in the accrued interest; cumulative interest incurred after the purchase date is recognized as income based on the accumulated method. The interest received in advance is amortized into the securities investment interest income on a straight-line basis over the terms of the securities investment.

Available-for-sale securities are subject to impairment review on a periodical basis.

Provision for diminution in value of securities is made when the carrying value is higher than the market value. In case market prices of securities are not available or cannot be determined reliably, no provision is required. Provision is recognized in the "*Net (loss)/gain from investment securities*" of the income statement.

Provision for credit losses of corporate bonds which are not listed on the stock market or not registered on the unlisted public company market is made in accordance with Circular 31.

Held-to-maturity securities

Held-to-maturity securities are debt securities purchased by the Company for the investment purpose of earning interest and the Company has the capability and intention to hold these investments until maturity. Held-to-maturity securities have determined value and maturity dates. In case the securities are sold before the maturity date, the remaining portfolio of these securities will be reclassified to securities held for trading or available-for-sale securities.

Held-to-maturity securities are recognized at par value at the purchase date. Accrued interest incurred before purchase (for debt securities with interest payment in arrears) and deferred interest (for debt securities with interest payment in advance) are recognized in a separate account. Discount/premium, which is the difference between the cost and the amount being the par value plus (+) accrued interest incurred before purchase (if any) or minus (-) deferred interest (if any), is also recognized in a separate account.

In subsequent periods, these securities are continuously recorded at par value, and the discount/premium (if any) is amortized to the income statement on a straight-line basis over the remaining term of securities. Interest received in arrears is recorded as follows: Cumulative interest incurred before the purchasing date is recorded as a decrease in the accrued interest; cumulative interest incurred after the purchasing date is recognized as income based on the accumulated method. Interest received in advance is amortized into the interest income from investment securities on a straight-line basis over the term of investment securities.

Periodically, held-to-maturity securities are subject to review for impairment. Provision for impairment of held-to-maturity securities is recorded when their carrying value is higher than their market value. In case the market values of the securities cannot be determined, no provision is made. For unlisted corporate bonds on the stock market, the Company makes provisions in accordance with Decree 86.

Provision for impairment is recognized in the income statement as *"Net (loss)/gain from investment securities"*.

Long-term investments

Long-term investments are capital investments in other entities in which the Company has 11% or less voting rights. These investments are recorded at cost at the time of investment and are then equal to cost less provision for diminution in value.

Provision for impairment of other long-term investments is made in case these economic institutions suffer losses, except where losses are forecasted in advance in the business plans of the entities before the investment. Provision for devaluation is calculated as the total actual contributed capital of the parties at the economic organization minus (-) the actual equity multiplied by (x) the Company's ownership ratio in the economic organization in accordance with Circular 48.

Re-purchase and reverse re-purchase contracts

Securities sold under agreements to repurchase at a specific date in the future (repos) are still recognized in the financial statements. The corresponding cash received from these agreements is recognized in the statement of financial position as a borrowing and the difference between the sale price and repurchase price is amortized in the income statement over the term of the agreement using the straight-line method based on the interest rate stipulated in the contract.

Conversely, securities purchased under agreements to resell at a specific date in the future are not recognized in the financial statements. The corresponding cash paid under these agreements is recognized as an asset in the statement of financial position and the difference between the purchase price and resale price is amortized in the income statement over the term of the agreement using the straight-line method based on the interest rate stipulated in the contract.

Fixed assets

Fixed assets including tangible and intangible assets are stated at cost less accumulated depreciation and amortization.

The cost of a fixed asset comprises of its purchase price and any directly attributable costs of bringing the fixed asset to working condition for its intended use.

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

When assets are sold or liquidated, their cost and accumulated depreciation are deducted from the statement of financial position item and any gains or losses resulting from their disposal (being the difference between net proceeds from the sale of assets and the remaining value of assets) are recorded to the income statement.

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:

Buildings and structures	25 years
Machinery and equipment	3 - 8 years
Transportation vehicles	6 - 10 years
Office equipment	3 - 8 years
Other tangible assets	3 - 25 years
Computer software	3 - 8 years
Other intangible assets	2 - 20 years

Operating lease

Rentals under operating lease are charged in the “*Other operating expenses*” of the income statement on a straight-line basis over the term of the lease.

Receivables

Receivables other than those classified as credit risk-bearing assets are recognized at cost.

For receivables that are not classified as credit risk assets and are past due, the Company makes provision in accordance with the guidance of Circular No. 48/2019/TT-BTC dated 8 August 2019 of the Ministry of Finance guiding the setting up and handling of provisions for devaluation of inventories, loss of investments, bad debts and warranties for products, goods, services and public services. construction process at enterprises (“Circular 48”) and Circular No. 24/2022/TT-BTC dated 7 April 2022 of the Ministry of Finance amending and supplementing a number of articles of Circular 48. Accordingly, these assets are considered to be made provision for overdue or unrecoverable losses for assets that are not yet due but the Company collects evidence to determine economic organizations that have gone bankrupt, have opened bankruptcy proceedings, have fled their business locations; the debtor is being prosecuted, detained, tried by law enforcement agencies or is serving a sentence, or is suffering from a serious illness or is dead, or the debt has been requested for judgment enforcement but cannot be performed due to the debtors fled from their place of residence; the debt has been sued for debt collection but the settlement of the case has been suspended.

For overdue debts, provision is made as follows:

<i>Overdue period</i>	<i>Provision rate</i>
From over six (6) months up to one (1) year	30%
From one (1) to under two (2) years	50%
From two (2) to under three (3) years	70%
From three (3) years and above	100%

Prepaid expenses and expenses awaiting allocation

Prepaid expenses are allocated on straight-line method in the prepayment period or the time when corresponding economic benefit are generated out from these costs.

Deposits and borrowings from other credit institutions, customer deposits

Deposits and borrowings from other credit institutions and customer deposits are disclosed at the principal amounts outstanding at the reporting date.

Derivatives financial instruments

Currency swap contracts

For swap contracts, the difference between VND equivalent of a foreign currency amount which the

Company is committed to buying/selling, translated at the forward and spot exchange rate at the effective date of the contract is recorded as an asset item - "*Derivatives and other financial assets*" if it is positive or as a liability item - "*Derivatives and other financial liabilities*" if it is negative. This difference will then be allocated to "*Net loss from trading of foreign currencies*" on a straight-line basis over the contract term.

Interest rate swaps

The value of commitments in interest rate swap contracts is not recognized in the statement of financial position. Differences in interest rate swap is recognized in the income statement on an accrual basis.

Payables and accrual expenses

Payables and accrual expenses are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Company.

Owners' equity and reserves

Charter capital of the Company is recognized when the rights and obligations of shareholders and the Company related to the charter capital established. Charter capital is recognized at par value.

The Company appropriates to statutory reserves in compliance with Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government stipulating the financial regime applicable to credit institutions and branches of foreign banks as follows:

<i>Type of reserve</i>	<i>Provision per year</i>	<i>Maximum balance</i>	<i>Purposes</i>
Charter capital supplementary reserve	5% of profit after tax	100% of charter capital	Supplementing the charter capital
Financial reserve	10% of profit after tax	Not specified	Covering the remaining loss and damage of assets occurring in the course of business

Other reserves under owners' equity are appropriated from profit after tax. The appropriation from profit after tax and the use of other reserves must be approved by the General Meeting of Shareholders. These funds are not specified by law and are allowed to fully distributed.

Recognition of income and expenses

Interest income and interest expense

Interest income and interest expense are recognized in the income statement on an accrual basis. The recognition of interest income is suspended for loans classified in Group 2 to Group 5 in compliance with Circular 31. Suspended interest income is reversed and monitored on the off-balance sheet and is only recognized in the income statement upon actual receipts.

Fee and commission income

Origination costs from loans to customers including commissions to agencies, third parties, and loan broker are allocated into the income statement using the straight-line method ranging from 9 - 22 months over the average duration in which loan items are on statement of financial position by the loan product types. Service charges are recorded on an accrual basis.

Dividend income

Dividend received in cash from investment activities is recognized as income when the Company's right to receive payment is established. Dividend received in form of shares is not recognized in the Company's income statement, but only recognized as an increase in the number of shares held by the Company instead.

Other income and expenses

For other incomes, when the result of the contract is definitely determined, income is recognized based on the stage of the completion of work or service. If the result of the contract is not determined, income is only recognized to the extent of recoverable amount of expenses incurred.

According to Circular No. 16/2018/TT-BTC dated 7 February 2018 issued by the Ministry of Finance promulgating financial regimes applicable to credit institutions and foreign bank branches receivables from uncollectible accrued income at the due date are recorded as reduction in revenue if the income has been accrued in the same fiscal year or recorded as expense if the income has been accrued in different fiscal years and monitored in off-statement of financial position. Upon actual receipt of these receivables, the Company would recognize to "Other income" on the income statement.

Other expenses are recognized in the income statement when incurred.

Corporate income tax

Current income tax

Current income tax assets and liabilities for the current year and prior years are measured at the amount expected to be paid to (or recovered from) the taxation authorities. The tax rates and tax laws are applied and enacted at the balance sheet date.

Current income tax is charged or credited to the income statement except when it relates to items recognized directly to equity, in this case the current income tax is also recognized in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Company to offset current tax assets against current tax liabilities and when the Company intends to settle its current tax assets and liabilities on a net basis.

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

Deferred income tax

Deferred corporate income tax is provided on temporary differences at the statement of financial position date between the tax base of assets and liabilities and their carrying amounts for the financial reporting purposes.

Deferred corporate income tax liabilities are recognized for all taxable temporary differences.

Deferred corporate income tax assets are recognized for all deductible temporary differences, carried forward unused tax credits and unused tax losses to the extent that it is probable that there will be sufficient future taxable profit to use the deductible temporary differences, taxable losses, and tax credits. Deferred corporate income tax assets and deferred corporate income tax liabilities are calculated at the tax rate proposed to apply in the financial year when the assets are recovered or the liabilities are settled, based on the tax rates and tax laws effective at the end of the year.

Foreign currency transactions

All transactions are recorded in original currencies according to the company accounting system. Monetary assets and liabilities denominated in foreign currencies are translated into VND using exchange rates regulated at the statement of financial position date (Note 11). Income and expenses arising in foreign currencies during the year are converted into VND at rates regulated at the transaction dates. Unrealized foreign exchange differences arising from the revaluation of monetary assets and liabilities

denominated in foreign currencies are recognized in "Exchange rate revaluation" of account "Owners' equity" on the statement of financial position at the end of fiscal year.

Employee benefits

Post-employment benefits

Post-employment benefits are paid to retired employees of the Company by the Social Insurance Agency which belongs to the Ministry of Labor Invalids and Social Affairs. The Company is required to contribute to these post-employment benefits and occupational accident and disease insurance for each employee by 17% and 0.5% of their basic monthly salary respectively during the working period. Besides, the Company has no further obligation.

Unemployment insurance

According to Circular No. 28/2015/TT-BLDTBXH providing guidelines for Article 52 of the Law on Employment and Decree No. 28/2015/ND-CP dated 12 March 2015 of the Government providing guidelines for the Law on Employment in term of unemployment insurance, the Company is required to contribute to the unemployment insurance at the rate of 1% of salary and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance fund.

Voluntary resignation

According to the Labor Code No. 45/2019/QH14 effective from 1 January 2021 and Decree No. 145/2020/ND-CP of the Government - guiding regulations on several of articles of the Labor Code on labor conditions and labor relations. The Company is responsible for paying a severance allowance equal to half a month's salary for each working year to employees who voluntarily resign and fully meet the law requirements. Working time to calculate severance allowance is the total actual time the employee at the Company minus the time the employee has participated in unemployment insurance according to the provisions of the law on unemployment insurance and the working time paid severance allowance by the employer. The average monthly salary calculated to pay severance allowance will be based on the average salary of the last six months up to the resignation date.

Offsetting

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

Related parties

Parties are related to the Company if a party directly or indirectly has the capability of controlling or imposing significant impacts on the other party's financial or operational decisions, or the Company and the counter party are jointly under common control or significant impacts. Related parties can be companies or individuals, including close family members of individuals who are related parties.

4. CASH

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Cash in VND	4,112	1,299
Cash in foreign currencies	248	247
	<u>4,360</u>	<u>1,546</u>

5. BALANCES WITH THE STATE BANK OF VIETNAM

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
- In VND	497,188	1,304,900
- In foreign currencies	25	24
	<u>497,213</u>	<u>1,304,924</u>

Balances with the State Bank of Vietnam (SBV) include compulsory reserves and payment accounts. The Company has fully met compulsory reserves rates regulated by SBV this year.

6. PLACEMENTS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Placements with other credit institutions		
Demand deposit	1,199,962	3,840,788
- In VND	1,037,115	3,577,337
- In foreign currencies	162,847	263,451
Term deposits	3,691,763	5,194,500
- In VND	1,903,550	4,903,620
- In foreign currencies	1,788,213	290,880
	<u>4,891,725</u>	<u>9,035,288</u>
Loans to other credit institutions	-	-
- In VND	-	-
- In foreign currencies	-	921,120
	-	<u>921,120</u>
Total deposits and loans to other credit institutions	<u>4,891,725</u>	<u>9,956,408</u>

Analysis of the quality of outstanding loans, term deposits at other credit institutions:

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Current loans	3,691,763	6,115,620
	<u>3,691,763</u>	<u>6,115,620</u>

7. TRADING SECURITIES

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Trading securities	408,523	-
Debt securities	408,523	-
- Debt securities issued by local credit institutions	408,523	-
Other securities	305,682	-
Certificate of deposits	305,682	-
	<u>714,205</u>	<u>-</u>
Provisions for trading securities	-	-
	<u>714,205</u>	<u>-</u>

Analysis of trading securities quality classified as credit risk assets

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Debt securities classified current	714,205	-
	<u>714,205</u>	<u>-</u>

Description of listing status of trading securities

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Debt securities	408,523	-
Listed securities	408,523	-
Other securities	305,682	-
Unlisted securities	305,682	-
	<u>714,205</u>	<u>-</u>

8. LOANS TO CUSTOMERS

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Loans to local business entities and individuals	43,541,425	30,181,826
Loans by grants, trusted funds	3,261,557	3,371,562
	<u>46,802,982</u>	<u>33,553,388</u>

Analysis of loan portfolio by quality

	Closing balance	Opening balance
	million VND	million VND
Current loans	45,616,957	32,846,299
Special-mentioned loans	818,091	271,910
Sub-standard loans	82,278	73,027
Doubtful loans	223,381	167,444
Loss loans	62,275	194,708
	46,802,982	33,553,388

Analysis of loan portfolio by term

	Closing balance	Opening balance
	million VND	million VND
Short-term loans	21,017,008	13,213,458
Medium-term loans	18,708,460	13,943,622
Long-term loans	7,077,514	6,396,308
	46,802,982	33,553,388

Short-term loans are those with original maturity term of less than one year. Medium-term loans are those with original terms of 1 to 5 years. Long-term loans have an original term of more than 5 years.

Analysis of loan portfolio by type of customer and type of business

	Closing balance	Opening balance
	million VND	million VND
Lending to economic entities	44,210,836	31,681,130
State-owned limited liability companies	3,174,027	3,177,190
Other limited companies	24,690,721	19,123,841
State-owned joint stock companies	158,085	102,941
Other joint stock companies	16,187,103	9,187,158
Lending to individuals	2,592,146	1,872,258
	46,802,982	33,553,388

Analysis of loan portfolio by sector

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Agriculture, forestry and fishery	9,795	13,545
Manufacturing and processing	603,086	429,752
Distributing electricity, fuel, hot water, water steam and air-conditioning services	7,288,809	6,293,177
Construction	5,726,800	5,527,488
Wholesale and retail trade, repair of motor vehicles, motor cycles	12,083,275	6,806,984
Mining industry	316,206	235,438
Finance, banking and insurance	4,832,418	2,908,269
Real estates	3,512,607	2,610,245
Professional activities, science and technology	3,555,873	2,511,475
Household employment, production of material products and household self-service	2,591,584	1,868,127
Accommodation and catering services	2,103,961	1,994,630
Administrative activities and supporting services	139,150	139,150
Other services	2,115,237	1,990,381
Other sectors	1,924,181	224,727
	<u>46,802,982</u>	<u>33,553,388</u>

9. PROVISIONS FOR CREDIT LOSSES ON LOANS TO CUSTOMERS

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Specific provision	(145,777)	(210,421)
General provision	(350,556)	(250,190)
	<u>(496,333)</u>	<u>(460,611)</u>

Movements in provisions for credit losses on loans to customers in the year:

	<u>General provision</u>	<u>Specific provision</u>	<u>Total</u>
	million VND	million VND	million VND
Current year's opening balance	(250,190)	(210,421)	(460,611)
Provision reversed/(made) during the year	(100,366)	(544,940)	(645,306)
Provision utilised during the year	-	609,584	609,584
Current year's closing balance	<u>(350,556)</u>	<u>(145,777)</u>	<u>(496,333)</u>

Movements in provisions for credit losses on loans to customers in the previous year:

	General provision	Specific provision	Total
	million VND	million VND	million VND
Prior year's opening balance	(181,886)	(214,110)	(395,996)
Provision (made)/reversed during the year	(68,304)	(319,068)	(387,372)
Provision utilised during the year	-	322,757	322,757
Prior year's closing balance	(250,190)	(210,421)	(460,611)

10. INVESTMENT SECURITIES

	Closing balance	Opening balance
	million VND	million VND
Available-for-sale investment securities	2,082,175	1,664,741
Debt securities	419,801	878,490
- Government bonds	105,875	202,176
- Debt securities issued by local credit institutions	313,926	460,314
- Debt securities issued by local business entities	-	16,000
- Certificate of deposits	-	200,000
Equity securities	1,662,374	786,251
- Equity securities issued by local business entities	1,662,374	786,251
	2,082,175	1,664,741
Provisions for available-for-sale investment securities	(179,987)	(104,644)
- Provision for impairment	(179,987)	(104,524)
- General provision	-	(120)
	1,902,188	1,560,097
Quality analysis of securities classified as credit risk		
	Closing balance	Opening balance
	million VND	million VND
Debt securities classified current	249,424	609,771
	249,424	609,771

Movement of provision for available-for-sales investment securities in the year:

	Provision for impairment	General provision	Specific provision	Total
	million VND	million VND	million VND	million VND
Current year's opening balance	(104,524)	(120)	-	(104,644)
Provision (made)/reversed during the year	(75,463)	120	-	(75,343)
Current year's closing balance	<u>(179,987)</u>	<u>-</u>	<u>-</u>	<u>(179,987)</u>

Movement of provision for available-for-sales investment securities in the previous year:

	Provision for impairment	General provision	Specific provision	Total
	million VND	million VND	million VND	million VND
Prior year's opening balance	(52,351)	(2,033)	(2,226)	(56,610)
Provision (made)/reversed during the year	(52,173)	1,913	2,226	(48,034)
Prior year's closing balance	<u>(104,524)</u>	<u>(120)</u>	<u>-</u>	<u>(104,644)</u>

11. LONG-TERM INVESTMENTS, CAPITAL CONTRIBUTION

	Closing balance	Opening balance
	million VND	million VND
Other long-term investments	1,881,987	1,006,177
Provision for impairment of long-term investment	(55,510)	(8,586)
	<u>1,826,477</u>	<u>997,591</u>

Movement of provision for long-term investments in the year

	Closing balance	Opening balance
	million VND	million VND
Opening balance	(8,586)	(3,774)
Provision (made)/reversed during the year	(46,924)	(4,812)
Closing balance	<u>(55,510)</u>	<u>(8,586)</u>

12. INCREASES, DECREASES IN TANGIBLE FIXED ASSETS

	Buildings, structures	Machinery, equipment	Motor vehicles	Management equipment and tools	Others	Total
	million VND	million VND	million VND	million VND	million VND	million VND
Cost						
Opening balance	8,280	50,823	23,103	24,326	1,850	108,382
Acquisitions during the	-	71	2,074	-	-	3,045
Disposals	-	(207)	(2,328)	(1,358)	-	(3,893)
Closing balance	8,280	50,687	23,749	22,968	1,850	107,534
Opening balance	(2,455)	(36,749)	(17,852)	(21,492)	(1,366)	(79,914)
Depreciation charged for the year	(331)	(4,939)	(834)	(1,399)	(58)	(7,561)
Disposals	-	207	2,328	1,048	-	3,583
Closing balance	(2,786)	(41,481)	(16,358)	(21,843)	(1,424)	(83,892)
Opening balance	5,825	14,074	5,251	2,834	484	28,468
Closing balance	5,494	9,206	7,391	1,125	426	23,642

Cost of fully depreciated tangible fixed assets which are still in use as at 31 December 2024 is VND 45,737 million (as at 31 December 2023 is VND 45,615 million).

13. INCREASES, DECREASES IN INTANGIBLE ASSETS

	Indefinite land-use rights	Computer software	Others	Total
	million VND	million VND	million VND	million VND
Cost				
Opening balance	18,244	71,705	6,428	96,377
Acquisitions during the year	-	313	2,384	2,697
Closing balance	18,244	72,018	8,812	99,074
Accumulated amortisation				
Opening balance	-	(47,375)	(1,608)	(48,983)
Amortisation charged for the	-	(6,875)	(1,549)	(8,424)
Disposals	-	-	-	-
Closing balance	-	(54,250)	(3,157)	(57,407)
Net book value				
Opening balance	18,244	24,330	4,820	47,394
Closing balance	18,244	17,768	5,655	41,667

Cost of fully depreciated intangible fixed assets which are still in use as at 31 December 2024 is VND 21,218 million (as at 31 December 2023 is VND 19,924 million).

14. OTHER ASSETS

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Amount receivables (i)	1,958,713	545,571
Interests and fees receivable (ii)	1,422,608	1,683,350
Other balance sheet assets (iii)	70,538	76,863
Provision for impairment of other balance sheet assets (iv)	(61,424)	(190,698)
	<u>3,390,435</u>	<u>2,115,086</u>

i) Receivables

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Receivables from securities deposits, mortgages, pledges	1,682,678	202,428
- Deposits for purchase of securities	800,000	200,000
- Other receivables from security deposits, mortgages,	882,678	2,428
Receivables from settlement with the State budget	560	560
Purchasing fixed assets	1	801
Receivables from internal parties	3,235	245
Receivables from external parties	272,239	341,537
- Receivables from reverse repurchase agreements	15,947	15,947
- Receivables from investment cooperation agreements	17,824	20,324
- Receivables from deferred-payment entrusted investments	1,406	1,406
- Receivables from trading of securities	11,969	265,969
- Other receivables	225,093	37,891
	<u>1,958,713</u>	<u>545,571</u>

ii) Interest and fee receivables

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Interest receivables from term deposits	1,386,093	1,581,219
Interest receivables from investment securities	7,505	21,649
Interest receivables from loans to customers	11,446	23,049
Other fee receivables	14,189	16,758
Interest receivables from derivatives	3,375	40,675
	<u>1,422,608</u>	<u>1,683,350</u>

iii) Other assets

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Tools and supplies	25	25
Expenses awaiting allocation	70,513	76,838
	<u>70,538</u>	<u>76,863</u>

iv) Provision for impairment of other assets on balance sheet

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
- Receivables from external parties	(11,969)	(175,240)
- Other provisions	(49,455)	(15,458)
	<u>(61,424)</u>	<u>(190,698)</u>

Movement of provision for other assets on balance sheet in the year

	<u>Current period</u> million VND	<u>Prior period</u> million VND
Opening balance	(190,698)	(187,926)
(Made)/reversed during the year	129,274	(50,436)
Provision utilised during the year	-	47,664
Closing balance	<u>(61,424)</u>	<u>(190,698)</u>

15. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
Deposits from other credit institutions	3,870,200	4,600,000
Term deposits	3,870,200	4,600,000
- In VND	3,623,550	4,600,000
- In foreign currencies	246,650	-
Borrowings from other credit institutions	7,864,093	6,311,760
- In VND	4,300,000	2,700,000
- In foreign currencies	3,564,093	3,611,760
	<u>11,734,293</u>	<u>10,911,760</u>

16. DEPOSITS FROM CUSTOMERS

Customer deposit portfolio by type of deposit

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
Demand deposits	2,023	2,172
- Demand deposits in VND	2,023	2,172
Term deposits	10,208,593	2,998,409
- Term deposits in VND	10,208,593	2,998,409
Margin deposits	107	956
	<u>10,210,723</u>	<u>3,001,537</u>

Deposit portfolio by type of customer and type of business

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
Deposits by business entities	9,700,669	2,984,581
- State-owned one-member limited liabilities companies	220,000	510,000
- Other limited liabilities companies	15,966	93,593
- Joint stock companies with more than 50% of the State's share-holding	-	500,000
- Other joint stock companies	9,464,703	1,880,988
Deposits by other entities	510,054	16,956
	10,210,723	3,001,537

17. DERIVATIVES AND OTHER FINANCIAL ASSETS/(LIABILITIES)

	<u>Total contract nominal value (Contract exchange rate)</u> VND million	<u>Total carrying value (exchange rate at the reporting date)</u>		<u>Net value</u> VND million
		<u>Assets</u> VND million	<u>Liabilities</u> VND million	
As at 31 December 2024				
Currency derivatives instruments				
<i>Currency swap contracts</i>	18,377,061	42,631	(207,347)	(164,717)
	18,377,061	42,631	(207,347)	(164,717)
As at 31 December 2023				
Currency derivatives instruments				
<i>Currency swap contracts</i>	39,766,997	145,242	(28,402)	116,840
	39,766,997	145,242	(28,402)	116,840

18. GRANTS, TRUSTED FUND AND BORROWINGS AT RISK OF THE CREDIT INSTITUTION

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
- In VND	431,377	507,577
- In foreign currencies	8,156,297	7,508,823
	8,587,674	8,016,400

19. VALUABLE PAPERS ISSUED

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
Certificate of deposits		
Under 12 months	5,861,000	3,449,000
- <i>Certificate of deposits by VND</i>	5,861,000	3,449,000
From 12 months to 05 years	10,970,000	12,247,000
- <i>Certificate of deposits by VND</i>	10,970,000	12,247,000
Certificate of deposits		
Over 05 years	1,725,000	1,725,000
- <i>Bonds by VND</i>	1,725,000	1,725,000
	<u>18,556,000</u>	<u>17,421,000</u>

20. OTHER LIABILITIES

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
Accrued fees and interest payable	1,036,166	1,210,461
Other payables and liabilities	301,800	203,755
Payables to employees	22,335	9,067
Taxes and amount payables to the State budget	139,193	72,214
Bonus and welfare funds	27,422	24,167
Payables to external parties	112,850	98,307
	<u>1,337,966</u>	<u>1,414,216</u>

EVN FINANCE JOINT STOCK COMPANY
NOTES TO THE FINANCIAL STATEMENTS (continued)

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21. CAPITAL AND RESERVES

Statement of changes in equity

	Charter capital million VND	Capital surplus million VND	Investment and development fund million VND	Financial reserve million VND	Charter capital supplementary million VND	Retained earnings million VND	Fund for construction investment & fixed asset million VND	Total million VND
Opening balance	7,042,483	350,562	29,991	241,248	159,644	629,962	2,328	8,456,218
Increase in the period	-	-	-	-	-	-	-	-
Profit for the period	-	-	-	-	-	560,822	-	560,822
Dividends paid by issuing shares	563,175	-	-	-	-	-	-	563,175
Allocation to additional funds from prior year profit	-	-	-	32,838	16,419	-	-	49,257
Decrease in the period	-	-	-	-	-	-	-	-
Allocation to additional funds from prior year profit	-	-	-	-	-	(59,109)	-	(59,109)
Dividends paid by issuing shares	-	-	-	-	-	(563,175)	-	(563,175)
Closing balance	7,605,658	350,562	29,991	274,086	176,063	568,500	2,328	9,007,188

The Company distributed profits according to Resolution No. 01/NQ-DHDCD-TCDL dated 15 March 2024 of 2024 Annual General Meeting of Shareholders as follows:

Undistributed profit in 2023

Distributed to Funds:

- Charter Capital supplementary reserve	5.00	16,419
- Financial Reserve	10.00	32,838
- Bonus Fund	1.50	4,926
- Welfare Fund	1.50	4,926
- Commendation to the Boards of Directors, Executive Board and Board of Supervisors	-	-

Undistributed profit

59,109

Details of the Company's shares

	<u>Current period</u>	<u>Prior period</u>
	Shares	Shares
Number of registered for issuance shares	760,565,802	704,248,289
Number of public offering shares	760,565,802	704,248,289
- <i>Ordinary shares</i>	760,565,802	704,248,289
Number of outstanding shares	760,565,802	704,248,289
- <i>Ordinary shares</i>	760,565,802	704,248,289
Nominal value per share (VND)	10,000	10,000

Basic earnings per share

	<u>Current period</u>	<u>Prior period (restatement)</u>
Profit after tax (million VND)	560,822	328,379
Allocation to bonus and welfare funds (million VND) (*)	(25,237)	(9,851)
Profit to calculation of basic earnings per share (million VND)	535,585	318,528
Weighted average number of ordinary shares after the impact (shares)	760,565,789	431,548,998
Basic earnings per share (VND)	704	738

(*) The estimated rate is based on the allocated rate of 2023 profit in accordance with Resolution No. 01/NQ-DHDCD-TCĐL dated 15 March 2024 by the 2024 Annual General Meeting of Shareholders and Resolution No. 03/NQ-DHDCD-TCĐL dated 16 January 17, 2025 by the Boards of Directors.

Restatement

The Company has distributed profits in 2023 according to Resolution No. 01/NQ-DHDCD-TCĐL dated March 15, 2024 of the Annual General Meeting of Shareholders, according to which the amount deducted into the bonus and welfare fund from retained earnings in 2023 approved by the General Meeting of Shareholders General Meetings. Thus, the basic earnings per share for the financial year ended 31 December 2023 is restated as follows:

	<u>Figures before adjustment</u>	<u>Figures after adjustment</u>
Profit after tax (million VND)	328,379	328,379
Allocation to bonus and welfare funds (million VND)	(9,720)	(9,851)
Profit for calculation of basic earnings per share (million VND)	318,659	318,528
Weighted average number of ordinary shares for calculation of basic earnings (million shares)	375,231,498	431,548,998
Basic earnings per share (VND)	849	738

22. INTEREST AND SIMILAR INCOME

	<u>Current year</u>	<u>Prior year</u>
	million VND	million VND
Interest from deposits	177,335	371,327
Interest from loans to customers	4,057,433	3,553,917
Interest from trading and investment of debt securities	34,217	64,763
- <i>Interest from investment securities</i>	34,217	64,763
Income from guarantee services	6,170	3,572
Other income from credit activities	1,625	40
	<u>4,276,780</u>	<u>3,993,619</u>

23. INTEREST AND SIMILAR EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	million VND	million VND
Interest expense on deposits	435,232	866,310
Interest expense on borrowings	574,851	760,519
Interest expense on valuable papers issued	1,413,006	1,244,793
Expenses on other credit activities	409,356	412,972
	<u>2,832,445</u>	<u>3,284,594</u>

24. NET PROFIT FROM SERVICES

	<u>Current year</u>	<u>Prior year</u>
	million VND	million VND
Income from services	74,791	53,319
- Trust and agency services	73	240
- Insurance brokerage service	1,039	3,945
- Others	73,679	49,134
Expense on services	(34,532)	(50,096)
- Payment services	(3,132)	(2,667)
- Insurance brokerage service	(144)	(18,018)
- Others	(31,256)	(29,411)
	<u>40,259</u>	<u>3,223</u>

25. NET (LOSS)/GAIN FROM TRADING FOREIGN CURRENCIES

	<u>Current year</u> million VND	<u>Prior year</u> million VND
Income from trading foreign exchange	123,633	64,681
- Income from trading foreign currencies	44,617	41,831
- Income from trading derivative financial	79,016	22,850
Expenses o trading foreign currencies	(166,775)	(151,181)
- Expenses on trading foreign currencies	(74,563)	(40,311)
- Expenses on trading derivative financial instruments	(92,212)	(110,870)
	<u>(43,142)</u>	<u>(86,500)</u>

26. NET GAIN FROM TRADING SECURITIES

	<u>Current year</u> million VND	<u>Prior year</u> million VND
Income from trading securities	18,225	-
Expenses from trading securities	(3,008)	-
	<u>15,217</u>	<u>-</u>

27. NET GAIN FROM TRADING INVESTMENT SECURITIES

	<u>Current year</u> million VND	<u>Prior year</u> million VND
Income from trading investment securities	26,694	382,303
Expenses from trading securities	(1,097)	(18,548)
Provision (made)/reversed for impairment of investment in trading securities	(75,343)	(48,034)
	<u>(49,746)</u>	<u>315,721</u>

28. NET PROFIT FROM OTHER ACTIVITIES

	<u>Current year</u> million VND	<u>Prior year</u> million VND
Other operating income	80,311	50,424
- Income from bad debts previously written-off	76,341	7,144
- Income from debt trading	-	43,118
- Other income	3,970	162
Other operating expenses	(560)	(465)
- Other expenses	(560)	(465)
	<u>79,751</u>	<u>49,959</u>

29. INCOME FROM CAPITAL CONTRIBUTION, EQUITY INVESTMENTS

	<u>Current year</u>	<u>Prior year</u>
	million VND	million VND
Dividends received in the period from capital contribution, share purchase	15,204	6,255
- From investment securities	13,971	4,377
- From long-term investment	1,233	1,878
Gain from divestment of investments, capital contribution and share purchase	207	96,000
	<u>15,411</u>	<u>102,255</u>

30. OPERATING EXPENSES

	<u>Current year</u>	<u>Prior year</u>
	million VND	million VND
Taxes and fees, charges	1,187	626
Staff cost	143,687	140,529
In which:		
- Salaries and allowances	127,419	122,409
- Salary-based expenses	11,270	12,071
- Other benefits	120	148
- Other staff expenses	4,878	5,901
Expenses for fixed assets	39,528	46,849
In which:		
- Depreciation and amortisation expenses	15,985	16,275
- Others	23,543	30,574
Expenses for operating management	50,953	53,752
In which:		
- Perdiem	5,238	4,525
- Expense for union activities	772	1,134
- Others	44,943	48,093
Provision made	(82,350)	55,248
- (Reversed)/charged provision for long-term investments	46,924	4,812
- (Reversed)/charged provision for other assets	(129,274)	50,436
	<u>153,005</u>	<u>297,004</u>

31. PROVISION FOR CREDIT LOSSES

	<u>Current year</u>	<u>Prior year</u>
	million VND	million VND
Provision for credit losses of loans to customer	645,306	387,372
	<u>645,306</u>	<u>387,372</u>

32. CASH AND CASH EQUIVALENTS

	<u>Closing balance</u> million VND	<u>Opening balance</u> million VND
Cash (*)	4,360	1,546
Balance with the State Bank of Vietnam (*)	497,213	1,304,924
Placements with other credit institutions (*)	1,199,962	3,840,788
Deposits at and loans to other credit institutions with term of 3 months or less	3,691,763	6,115,620
	<u>5,393,298</u>	<u>11,262,878</u>

(*) The balances of Cash, Balance with the State Bank of Vietnam, and Placements with other credit institutions are described in Note 4, Note 5, and Note 6.

33. EMPLOYEES' INCOME

	<u>Current year</u> million VND	<u>Prior year</u> million VND
Average total number of employees (person)	295	372
Employees' income (million VND)		
1. Total salary fund	123,066	120,775
2. Bonus	4,697	4,861
3. Other allowance	3,332	4,006
4. Total income (1+2+3)	<u>131,095</u>	<u>129,642</u>
5. Average monthly salary (million VND/person/month)	34.76	27.06
6. Average monthly income	<u>37.03</u>	<u>29.04</u>

34. TAX AND OTHER OBLIGATIONS TO THE STATE BUDGET

	<u>Opening balance</u>	<u>Movement during the year</u>		<u>Closing balance</u>
	million VND	<u>Payables</u> million VND	<u>Paid</u> million VND	million VND
Value Added Tax	18	216	(128)	106
Corporate Income Tax	70,902	142,952	(81,211)	132,643
Other taxes	1,294	37,959	(32,808)	6,445
	<u>72,214</u>	<u>181,127</u>	<u>(114,147)</u>	<u>139,194</u>

Current corporate income tax

The Company has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits.

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

Current corporate income tax payables are determined based on taxable income of the year. Taxable income differs from the one reported in the income statement since taxable income excludes incomes

which are taxable or expenses which are deducted in prior year due to the differences between the Company's accounting policies and the tax regulations. It also excludes tax exempted income and non-deductible expenses. The current corporate income tax payable of the Company is calculated based on the statutory tax rates applicable at the end of the year.

	<u>Current year</u>	<u>Prior year</u>
	million VND	million VND
Profit before corporate income tax	703,774	409,307
Less:	(15,204)	(7,805)
- <i>Non-taxable dividends income and profits received</i>	(15,204)	(6,255)
- <i>Unrealized foreign exchange loss realized in the current year</i>	-	(1,453)
- <i>Foreign exchange gain arising from revaluation of monetary items denominated in foreign currencies at the end of the year</i>	-	(97)
Add:	-	3,007
- <i>Non-deductible expenses</i>	3,350	3,007
- <i>Foreign exchange loss arising from revaluation of monetary items denominated in foreign currencies at the end of the year</i>	21,194	-
- <i>Unrealized foreign exchange gain realized in the current year</i>	97	-
Taxable profit	713,211	404,509
Corporate income tax rate	20%	20%
Current corporate income tax expense based on taxable profit	142,642	80,902
Adjustment from prior years to current year	310	26
Total corporate income tax expense	142,952	80,928
- CIT payable at the beginning of the year	70,902	69,559
- CIT paid in the year	(81,211)	(79,585)
Corporate income tax payable at the end of the year	132,643	70,902

35. ASSETS, VALUABLE PAPERS RECEIVED FOR MORTGAGES, PLEDGES AND DISCOUNTS, REDISCOUNTS

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

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Valuable papers	16,496,943	13,596,462
Real estate, Real estate formed in the future	84,985,016	54,653,114
Other types of collateral	94,700,580	104,046,658
	196,182,539	172,296,234

36. CONTINGENT LIABILITIES AND COMMITMENTS

During its business operations, the Company uses financial instruments related to off-balance sheet items. These financial instruments mainly include guarantees and letters of credit. These instruments also create credit risk for the Company in addition to the credit risk recognized in the balance sheet.

Credit risk of off-balance sheet financial instruments is defined as the ability of the Company to pay on behalf of customers failing to perform or performing their obligations improperly.

Guarantee commitments are commitments that the Company grants to clients for transactions with a third party, including various types of loan guarantee, payment guarantee, contract performance security, bid security, etc. Credit risk for loan guarantee, payment security is basically the same as the risk of lending to customers; Other types of guarantees have a lower level of risk.

Details of contingent liabilities and commitments as at 31 December 2024:

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Contingent liabilities	34,330	33,511
Payment guarantees	6,465	-
Performance security	25,426	26,512
Other guarantees	2,439	6,999

37. UNCOLLECTIBLE LOAN INTEREST AND RECEIVABLE FEES

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Interest from loans in VND not collected yet	218,937	169,282
Interest from securities not collected yet	29,722	29,722
Receivable fees not collected yet	39,411	53,113
	288,070	252,117

38. BAD DEBTS WRITTEN-OFF

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Principals of written-off debts under monitoring	1,370,821	955,104
Interest of written-off debts under monitoring	1,466,950	1,295,204
	2,837,771	2,250,308

39. OTHER ASSETS AND VALUABLE PAPERS

	<u>Closing balance</u>	<u>Opening balance</u>
	million VND	million VND
Other assets held for safekeeping	3,042,974	4,671,660
Collaterals as a replacement of debt obligations	-	14,394
Other valuable papers	1,015,226	1,351,606
	4,058,200	6,037,660

40. GEOGRAPHICAL STRUCTURE OF ASSETS, LIABILITIES AND OFF-BALANCE-SHEET ITEMS

	<u>Total loan balance</u>	<u>Total placements to other credit institutions</u>	<u>Credit commitments</u>	<u>Derivative instruments (nominal amount)</u>	<u>Securities investment</u>
	<u>million VND</u>	<u>million VND</u>	<u>million VND</u>	<u>million VND</u>	<u>million VND</u>
Domestic	46,802,982	5,388,938	34,330	18,377,061	2,796,380
	46,802,982	5,388,938	34,330	18,377,061	2,796,380

41. RELATED PARTY TRANSACTIONS AND BALANCES

In the course of its business operations, the Company has deposits, borrowings and other related transactions with its related parties.

The list of related parties which have significant transactions and/or balances with the Company during the year is as follows:

<u>Related parties</u>	<u>Relationship</u>
Amber Fund Management Joint Stock Company (*)	Influence
Amya Holdings.,JSC (**)	Influence
Board of Directors	Significant influence
Member of the Board of Directors, Supervisory Board	Significant influence

(*) Amber Fund Management Joint Stock Company is considered a related party because the Member of the Board of Directors of the Company, Mr. Le Manh Linh, is the Chairman of the Board of Directors at this company. From 18 March 2024, Mr. Le Manh Linh will no longer hold the position of Chairman of the Board of Directors, member of the Board of Directors at Amber Fund Management Joint Stock Company. From 04 April 2024, Mr. Le Manh Linh will no longer be the legal representative of Amber Fund Management Joint Stock Company.

(**) Amya Holdings.,JSC is considered related parties as a member of Board of Directors, Mr. Nguyen Trung Thanh, is a Vice Chairman of the Board of Directors at the company.

Significant balances with related parties at the end of the year:

	<u>Closing balance</u>	<u>Opening balance</u>
	<u>million VND</u>	<u>million VND</u>
Shares at related parties		
Valuable papers of related parties		
- Amber Fund Management Joint Stock Company	(*)	674,000
Deposits of related parties		
- Amber Fund Management Joint Stock Company	(*)	271,240
Interest payable for deposits and valuable		
- Amber Fund Management Joint Stock Company	(*)	18,762
Loan to related parties		
Amya Holdings.,JSC	316,206	235,438
Interest receivable from loans to related		
Amya Holdings.,JSC	1,164	6,471

Significant transactions with related parties during of the year:

	Current year million VND	Prior year million VND
Interest income from bonds of related parties		
Interest expense from deposits and valuable papers of related parties		
- Amber Fund Management Joint Stock Company	22,971	39,811
Interest income from bonds of related parties		
Amya Holdings.,JSC	39,828	6,471

The Salary of Chief Executive Officer and other managers, total remuneration paid to the Company's Board of Directors during the year was as follows:

	Current year million VND	Prior year million VND
Salary of General Director and other managers	9,896	11,792
Remuneration for Board of Supervision	3,775	3,281
Salary and remuneration of the Supervisory Board	2,225	2,066

Of which:

	Current year million VND	Prior year million VND
Remuneration of Board of Directors	3,775	3,281
Mr. Hoang Van Ninh	-	229
Ms. Cao Thi Thu Ha	-	138
Mr. Le Manh Linh	539	468
Ms. Nguyen Thuy Trang	-	89
Mr. Pham Trung Kien	1,619	1,223
Mr. Nguyen Trung Thanh	539	378
Mr. Le Hoai Nam	539	378
Mr. Nguyen Van Hai	539	378
Remuneration of the CEO and other Executives	9,896	11,792
Mr. Nguyen Hoang Hai	-	970
Mr. Le Anh Tuan	1,446	1,423
Mr. Hoang The Hung	439	1,598
Mr. Dao Le Huy	1,501	1,463
Mr. Mai Danh Hien	2,334	1,925
Mr. Lam Nguyen Thien Nhon	274	1,236
Ms. Ton Thi Hai Yen	1,292	1,133
Mr. Mai Xuan Dong	725	709
Mr. Hoang Nhat Nam	824	356
Mr. Tong Nhat Linh	1,012	979
Mr. Nguyen Tien Sy	49	-

42. FINANCIAL INSTRUMENTS

On 06 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC ("Circular 210") guiding the application of the International Financial Reporting Standards on presentation of financial statements and disclosures of financial instruments are effective for financial years beginning on or after 1 January 2011. Circular 210 provides definitions of financial instruments, including financial assets, financial liabilities, derivative financial instruments and equity instruments and requirements on classification, presentation and disclosures of these financial instruments.

Circular 210 only regulates the presentation of financial statements and disclosures of financial instruments. The following definitions under Circular 210 apply only to the preparation of this note. The Company's assets and liabilities are still recorded and accounted for in accordance with the prevailing regulations of the Vietnamese Accounting Standards and System applicable to credit institutions and legal regulations related to financial reporting.

Financial assets

Financial assets of the Company within the scope of Circular 210 include cash on hand, gold, gemstones, deposits at the State Bank, and placements at and loans to other credit institutions, loans to customer, investment securities, other long-term investments, interests and fee receivable, and receivables.

According to Circular 210, financial assets are classified appropriately, for disclosure in the financial statements, into one of the following categories:

- *Financial assets are recognized at fair value through profit or loss:*

A financial asset that satisfies one of the following conditions:

- a) Financial assets are classified as securities held for trading if:

- ✓ Purchased or made primarily for the purpose of reselling/repurchase in the short term;
- ✓ There is evidence of profit purpose for trading the instruments in the short term; or
- ✓ Derivative financial instruments (other than derivative financial instruments identified as a financial guarantee or an effective hedging instrument).

- b) At the time of initial recognition, the Company classifies its financial assets into reflective fair value through profit or loss.

- *Held-to-maturity investments:*

Non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company intends and are able to hold to maturity, except for:

- a) Financial assets that, at the time of initial recognition, have been classified into the group recognized at fair value through the income statement;
- b) Financial assets are classified as available-for-sale;
- c) Financial assets satisfy the definition of loans and receivables.

- *Loans and receivables:*

Non-derivative financial assets with fixed or determinable payments and not listed on the market, except for:

- a) Items that the Company intends to sell immediately or in the near future are classified as held-for-trading assets and those which, at the time of initial recognition, are classified by the Company into the group recognized at fair value through income statement;
 - b) Items that are classified as available for sale by the Company at the time of initial recognition; or
 - c) Items that the holder may not recover the majority of the initial investment, not due to the loss of credit quality, and are classified as available-for-sale.
- *Available-for-sale assets:*

Non-derivative financial assets identified as available for sale or not classified as:

- a) Loans and receivables;
- b) Held-to-maturity investments;
- c) Financial assets are recognized at fair value through profit or loss.

Financial liabilities

Financial liabilities of the Company within the scope of Circular 210 include deposits at and borrowings from other credit institutions, deposits from customers, donated capital, entrusted investments, loans to credit institutions at risks, issued valuable papers, interests, fees payable and other payables, derivatives and other financial liabilities.

According to Circular 210, financial liabilities, for the purpose of disclosure in the financial statements, are appropriately classified to:

- *Financial liabilities recognized at fair value through profit or loss:*
 - a) A financial liability that satisfies one of the following conditions:
 - ✓ Purchased or made primarily for the purpose of reselling/repurchase in the short term;
 - ✓ There is evidence of profit purpose for trading the instruments in the short term; or
 - ✓ Derivative financial instruments (other than derivative financial instruments identified as a financial guarantee or an effective hedging instrument).
 - b) At the time of initial recognition, the Company classifies its financial liabilities into reflective fair value through profit or loss.
- *The financial liabilities are measured at amortized cost:*

Financial liabilities not classified in the group recognized at fair value through profit or loss will be classified into financial liabilities in accordance with their amortised cost.

Offsetting financial assets and liabilities

Financial assets and liabilities are offset and the net amount is reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the assets and settle the liabilities simultaneously.

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

	Book value (Excluding provision)		Fair value	
	Closing balance million VND	Opening balance million VND	Closing balance million VND	Opening balance million VND
Financial assets				
Cash on hand	4,360	1,546	4,360	1,546
Balances with the State Bank of Vietnam (SBV)	497,213	1,304,924	497,213	1,304,924
Placements with and loans to other credit institutions	4,891,725	9,956,408	(*)	(*)
Trading securities	714,205	-	(*)	(*)
Derivatives financial instruments and other financial assets	-	116,840	(*)	(*)
Loans to customers	46,802,982	33,553,388	(*)	(*)
Investment securities	2,082,175	1,664,741	(*)	(*)
Other long-term investments	1,881,987	1,006,177	(*)	(*)
Other receivables	1,954,917	543,965	(*)	(*)
Interest and fee receivables	1,422,608	1,683,350	(*)	(*)
	60,252,172	49,831,339		
Financial liabilities				
Deposits and borrowings from other credit institutions	11,734,293	10,911,760	(*)	(*)
Deposits from customers	10,210,723	3,001,537	(*)	(*)
Derivatives and other financial liabilities	164,717	-	(*)	(*)
Grants, trusted funds and borrowings at risk of credit institution	8,587,674	8,016,400	(*)	(*)
Valuable papers issued	18,556,000	17,421,000	(*)	(*)
Accrued fees and interest expenses	1,036,166	1,210,461	(*)	(*)
Other payables and liabilities	112,850	98,308	(*)	(*)
	50,402,423	40,659,466		

(*) Vietnamese Accounting Standards and related regulations do not have specific guidance on the determination of fair value of financial assets and financial liabilities.

Classification of financial assets as at 31 December 2024:

	Financial assets				Total
	Held-for-trading	Held-to-maturity	Loans and receivables	Available-for-sale	Other assets measured at amortised cost
	million VND	million VND	million VND	million VND	million VND
Cash on hand	4,360	-	-	-	4,360
Balances with the State Bank of Vietnam (SBV)	-	-	497,213	-	497,213
Placements with and loans to other credit institutions	-	-	4,891,725	-	4,891,725
Tracing securities	714,205	-	-	-	714,205
Loans to customers	-	-	46,802,982	-	46,802,982
Investment securities	-	-	-	2,082,175	2,082,175
Other long-term investments	-	-	-	1,881,987	1,881,987
Other receivables	-	-	1,954,917	-	1,954,917
Interest and fee receivables	-	-	1,422,608	-	1,422,608
	718,565	-	55,569,445	3,964,162	60,252,172

Classification of financial liabilities as at 31 December 2024:

The Company's financial liabilities as at 31 December 2024 are all classified as financial liabilities and measured at amortised cost.

43. RISK MANAGEMENT

This section provides details on the risks that the Company may encounter and describes in detail the methods used by the Company's management to control the risk. The most important types of risks that the Company is exposed to are market risk, credit risk, liquidity risk.

Market risk

Currency risk

The Company is exposed to currency risk in foreign currency transactions.

The Company primarily uses US Dollar and Vietnam Dong to account for its activities. As the Company's financial statements are presented in Vietnam Dong, it is affected by USD/VND exchange rate fluctuations.

The exposure to foreign currency transactions of the Company will lead to foreign exchange gains or losses, which are recognized in the income statement. This risk includes the Company's assets and liabilities denominated in currencies other than the Company's accounting currency. The Company also maintains an open position to earn profit from the exchange rate fluctuations.

The table below presents the monetary status of assets and liabilities of the Company as at 31 December 2024:

ITEM	EUR equivalent million VND	USD equivalent million VND	Other currencies equivalent million VND	Total million VND
Assets				
Cash	107	141	-	248
Balances with the SBV	-	25	-	25
Placements with and loans to other credit institutions (*)	2,115	1,946,598	2,347	1,951,060
Derivatives and other financial liabilities (*)	-	7,325,197	-	7,325,197
Loans to customers (*)	-	3,216,815	-	3,216,815
Other assets (*)	24	245,490	2,374	247,888
Total assets	2,246	12,734,266	4,721	12,741,233
Liabilities				
Deposits and borrowings from other credit institutions	-	3,810,743	-	3,810,743
Grants, trusted funds and borrowings at risk of the credit institution	-	8,156,297	-	8,156,297
Other liabilities (*)	-	179,544	-	179,544
Total liabilities	-	12,146,584	-	12,146,584
Net-on balance sheet position	2,246	587,682	4,721	594,649
Net-off balance sheet position	-	-	-	-
Total position	2,246	587,682	4,721	594,649

(*) Excluding provisions for risks.

Exchange rate of some currencies at the end of the year:

	<u>Closing balance</u>	<u>Opening balance</u>
	VND	VND
United States Dollar (USD)	24,665	24,240
Euro (EUR)	26,661	26,998
Japanese Yen (JPY)	162	172
Australian Dollar (AUD)	15,840	16,566
British Pound (GBP)	31,958	30,858

Interest rate risk

Interest rate risk is the risk that will have negative impacts on the Company's income and capital due to adverse changes in interest rates.

The Company's interest rate risk may come from investment activities, capital mobilization and lending.

The effective interest repricing term is the remaining period from the reporting date to the most recent interest repricing period of asset and capital items. The following assumptions and conditions are applied in the analysis of the re-pricing term of the Company's assets and liabilities:

- Cash, gold, gems, special bonds issued by VAMC, long-term investments as capital contributions and other assets (including fixed assets and other assets) are classified as non-interest items.
- Balance with the State Bank of Vietnam are classified as payment deposits, so the effective interest repricing term is one month.
- The effective interest repricing term of investment securities (except for special bonds issued by VAMC) and trading securities are determined as follows:
 - Items with fixed interest rates during the life of the agreement: The actual repricing term is determined based on the actual maturity period from the date of the financial statements.
 - Items with floating interest rates: The actual effective interest repricing term is determined based on the latest interest rate recalculation period from the time of preparing the financial statements.
 - Investment securities are equity securities that are classified as non-interest items.
- The effective interest repricing term of deposits and loans to other credit institutions, loans to customers, debts of the Government and the State Bank of Vietnam, deposits and borrowings from credit institutions and deposits from customers, items of funding sources, entrusted investments and loans to credit institutions are subject to risk as follows:
 - Items with fixed interest rates during the life of the agreement: The effective interest repricing term is determined based on the actual maturity period from the date of the financial statements.
 - Items with floating interest rates: The effective interest repricing term is based on the latest interest rate recalculation period from the date of the financial statements.

The Company's operations are subject to interest rate fluctuations where interest-bearing assets and interest-bearing liabilities mature at various periods of time or in different amounts. Some assets do not have specific terms or are very sensitive to interest rates and do not correspond to specific debt.

The table below presents the Company's assets and liabilities that are classified according to the contractual repricing term or the maturity date and actual interest rates as at the balance sheet date. The asset revaluation date and expected maturity date may differ materially from the date specified in the contract, particularly the maturity date of the customer deposit.

Sensitivity to interest rates

Since Circular 210 does not provide detailed guidance on how to conduct interest rate sensitivity analysis, the Company has not made any disclosures.

Details of interest rate risk to each class of financial assets and liabilities held by the Company as at 31 December 2024 are as follows:

	Overdue million VND	Non-interest bearing million VND	Current:						Total million VND
			Within 1 month million VND	1-3 months million VND	From 3 to 6 months million VND	From 6 to 12 months million VND	From 1 to 5 years million VND	Over 5 years million VND	
Assets									
Cash	-	4,360	-	-	-	-	-	-	4,360
Balances with the State Bank of Vietnam	-	-	497,213	-	-	-	-	-	497,213
Placements with and loans to other credit institutions (*)	-	-	2,350,162	2,541,563	-	-	-	-	4,891,725
IV- Trading securities	-	-	-	-	305,682	-	-	-	-
Loans to customers (*)	906,320	-	576,330	8,584,462	12,462,214	8,511,183	51,062	357,461	714,205
Investment securities (*)	-	1,662,374	-	-	-	-	13,742,595	2,019,873	46,802,982
Long-term investments (*)	-	1,881,987	-	-	-	-	50,000	369,801	2,082,175
Fixed assets	-	65,309	-	-	-	-	-	-	1,881,987
Other assets (*)	63,806	3,388,053	-	-	-	-	-	-	65,309
Total assets	970,126	7,002,083	3,423,705	11,126,025	12,767,896	8,511,188	13,843,657	2,747,135	60,391,815
Liabilities									
Deposits and borrowings from other credit institutions	-	-	2,150,200	2,500,968	4,039,950	3,043,175	-	-	11,734,293
Deposits from customers	-	2,130	166,650	3,207,676	4,918,900	411,126	1,504,241	-	10,210,723
Derivatives and other financial liabilities	-	-	51,858	115,976	-	(3,117)	-	-	164,717
Grants, trusted funds and borrowings at risk of credit institution	-	-	98,660	613,354	812,993	414,941	5,052,636	1,595,080	8,587,674
Valuable papers issued	-	-	771,000	5,057,000	6,971,000	4,032,000	-	1,725,000	18,556,000
Other liabilities (*)	-	820,937	29,655	487,374	-	-	-	-	1,337,966
Total liabilities	-	823,067	3,268,023	11,982,358	16,742,843	7,898,125	6,556,877	3,320,080	50,591,373
On-balance sheet interest-sensitivity difference	970,126	6,179,016	155,682	(856,333)	(3,974,947)	613,063	7,286,780	(572,945)	9,800,442

(*) Excluding provisions for risks.

Credit risk

The Company is exposed to credit risk in its lending and investment process as well as when the Company acts as an intermediary on behalf of the customers or third parties or when the Company issues a guarantee.

Risks when the counterparty is unable to repay the debt is monitored continuously. In order to manage credit risk, the Company only deals with creditworthy counterparties and, when appropriate, requires collateral.

The Company's exposure to credit risk arises from its loans and advances. The level of credit risk is measured at the carrying amounts of assets in the balance sheet. In addition, the Company is exposed to off-balance sheet credit risks in the form of credit commitments and guarantees.

The concentration of credit risk (whether on-balance or off-balance) arises from the financial instruments that exist for each partner group when these groups have similar economic characteristics that may result. The repayment capacity of these counterparties will be equally affected by fluctuations in economic conditions or other conditions.

The main concentration of credit risk arises in the region and by type of customers in relation to its investment, lending and advancement activities, credit commitments and guarantees. The Company's risk concentration is on certain economic sectors.

Liquidity risk

Liquidity risk is a risk that the Company has difficulty in performing its obligations to pay financial liabilities. Liquidity risk arises when the Company may be incapable of performing repayment obligations when these liabilities are due at normal or difficult times.

In order to minimize the liquidity risk, the Company maintains adequate assets and liabilities, and mobilizes from a variety of sources other than the Company's capital base. The Company has a flexible asset management policy that monitors future cash flows and liquidity. The Company also evaluates the expected cash flow and availability of current collateral in the event of need for additional funds.

The following assumptions and conditions are used in the analysis of the maturity of the Company's assets and liabilities:

- Balance with the State Bank are classified as payment deposits, including compulsory reserve deposits. The balance of compulsory reserve deposits depends on the composition and maturity of customer deposits at the Company;
- The maturity of the investment securities (debt securities) is calculated based on the maturity date on the contract;
- The maturity term of deposits at and loans to other credit institutions and loans to customers is determined based on the maturity date of the contract. Actual maturity may vary due to renewed loan agreements;
- The maturity of equity investments is considered to be more than 5 years since these investments do not have a fixed maturity;

- The maturity of deposits, loans from credit institutions and customer deposits are determined based on the nature or maturity of the contract. In practice, these items may be revolving and thus remain for a longer period of time than the original maturity date and change according to customer behaviors;
- The maturity of a fixed asset is determined based on the remaining useful life;
- The maturity of the funds entrusted for investment trusts, loans granted to the Company at risk is calculated based on the actual maturity date of preparation of the financial statements of each financing investment;
- The maturity of other assets and liabilities is calculated from the date of preparation of the financial statements to the date of payment as stipulated in the contract.

The table below analyzes the financial assets and liabilities of the Company according to the maturity groups corresponding to the remaining period from the end of the financial year to the date of payment. In practice, the actual maturity of assets and financial liabilities may differ from the contractual period according to the contract, as amended.

Details of the liquidity risk associated with each class of financial assets and liabilities held by the Company as at 31 December 2024 are as follows:

	Overdue		Within 1 month	Current		From 1 to 5 years	Over 5 years	Total
	Within 3 months	Over 3 months	million VND	From 01 to 03 months	From 3 to 12 months	million VND	million VND	million VND
Assets								
Cash	-	-	4,360	-	-	-	-	4,360
Balances with the State Bank of Vietnam	-	-	497,213	-	-	-	-	497,213
Placements with and loans to other credit institutions (*)	-	-	2,350,162	2,541,563	-	-	-	4,891,725
Trading securities (*)	-	-	-	-	305,682	51,062	357,461	714,205
Loans to customers (*)	166,263	740,056	524,073	7,113,996	15,183,163	15,994,085	3,081,346	46,802,982
Investment securities (*)	-	-	1,662,374	-	-	55,875	363,926	2,082,175
Long-term investments, capital contributions (*)	-	-	-	-	-	-	1,881,987	1,881,987
Fixed assets	-	-	-	-	-	-	65,309	65,309
Other assets (*)	61,481	2,325	2,357,353	230,700	800,000	-	-	3,451,859
Total assets	227,744	742,381	7,395,535	9,886,259	20,288,845	16,101,022	5,750,029	60,391,815
Liabilities								
Deposits and borrowings from other credit institutions	-	-	2,150,200	2,500,968	7,083,125	-	-	11,734,293
Deposits from customers	-	-	168,780	3,207,676	5,330,026	1,504,241	-	10,210,723
Derivative financial instruments and other financial liabilities	-	-	51,858	115,976	(3,117)	-	-	164,717
Grants, trusted funds and borrowings at risk of credit institution	-	-	98,660	613,364	1,227,934	5,052,636	1,595,080	8,587,674
Valuable papers issued	-	-	771,000	5,057,000	11,003,000	-	1,725,000	18,556,000
Other liabilities (*)	-	-	850,592	487,374	-	-	-	1,337,966
Total liabilities	-	-	4,091,090	11,982,358	24,640,968	6,556,877	3,320,080	50,591,373
Net liquidity difference	227,744	742,381	3,304,445	(2,096,099)	(4,352,123)	9,544,145	2,429,949	9,800,442

(*) Excluding provisions for risk.

44. SUBSEQUENT EVENTS

No events occurring after the end of the quarter have material effect on or may have material affect the Company's operations and financial performance that require adjustments or disclosures in the financial statements.



Nguyen Thi Trang
Preparer



Tong Nhat Linh
Chief Accountant



Mai Danh Hien
General Director
17 January 2025

