



VietCredit Finance Joint Stock Company

Financial Statements for the year ended
31 December 2024



VietCredit Finance Joint Stock Company Corporate Information

Establishment and

Operation License No.

48/GP-NHNN

6 November 2023

The Finance Company Establishment and Operation License No. 48/GP-NHNN, as amended by Decision No. 37/QD-TTGSNH2 issued by the State Bank of Vietnam dated 10 February 2025 and Decision No. 159/QD-Cuc II.6 issued by the State Bank of Vietnam dated 13 February 2025, was granted by the State Bank of Vietnam to replace the Establishment and Operation License of finance company No. 59/GP-NHNN and is valid for 50 years from 29 May 2008.

Enterprise Registration

Certificate No.

0102766770

2 June 2008

The Enterprise Registration Certificate was issued by the Hanoi Department of Planning and Investment. The Enterprise Registration Certificate has been amended several times and the most recent of which is the 15th amendment dated 18 December 2023.

Board of Directors

Mr. Nguyen Duc Phuong	Chairman
Mr. Ho Minh Tam	Member
Mr. Nguyen Duc Huynh	Member
Mr. Nguyen Lan Trung Anh	Member
Mr. Luu Cong Toai	Independent Member

Supervisory Board

Ms. Bui Thi Nhat Linh	Head of Supervisory Board <i>(from 10 January 2025)</i>
Mr. Tran Viet Phuong	Head of Supervisory Board <i>(until 10 January 2025)</i>
Ms. Dang Ngoc Thao Uyen	Member <i>(from 19 April 2024)</i>
Ms. Nguyen Thi Thuy Trang	Member <i>(from 10 January 2025)</i>
Mr. Tran Hong Giang	Member <i>(until 10 January 2025)</i>
Mr. Ho Hong Hai	Member <i>(until 19 April 2024)</i>

**VietCredit Finance Joint Stock Company
Corporate Information (continued)**

**Board of Management
and Chief Accountant**

Mr. Ho Minh Tam	Chief Executive Officer
Mr. Huynh Le Khang	Deputy Chief Executive Officer
Mr. Le Huu Son	Senior Director <i>(from 21 May 2024)</i>
Mr. Tran Viet Phuong	Deputy Chief Executive Officer In-charge of Finance <i>(from 13 January 2025)</i>
Mr. Nguyen Hoai Nam	Deputy Chief Executive Officer <i>(from 15 January 2025)</i>
Mr. Do Trong Diep	Deputy Chief Executive Officer In-charge of Business <i>(from 15 January 2025)</i>
Mr. Le Phuong Hai	Deputy Chief Executive Officer <i>(from 31 July 2024)</i>
Mr. Jan Pacák	Deputy Chief Executive Officer <i>(from 5 June 2024)</i>
Ms. Vo Thi Phuong Thao	Chief Accountant <i>(from 17 January 2025)</i>

Legal representative

Mr. Ho Minh Tam Chief Executive Officer

Registered Office

17th Floor, Mipec Tower
No. 229 Tay Son, Khuong Thuong Ward, Dong Da District
Hanoi, Vietnam

Auditor

KPMG Limited
Vietnam

VietCredit Finance Joint Stock Company Statement of the Board of Management

The Board of Management of VietCredit Finance Joint Stock Company (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2024.

The Company’s Board of Management is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

In the opinion of the Company’s Board of Management:

- (a) the financial statements set out on pages 6 to 73 give a true and fair view of the financial position of the Company as at 31 December 2024, and of the results of operations and the cash flows of the Company for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to Credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Company’s Board of Management has, on the date of this statement, authorised the accompanying financial statements for issue.

On behalf of the Board of Management,



Ho Minh Tam
Chief Executive Officer

Hanoi, 25 March 2025



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South Tu Liem District, Hanoi, Vietnam
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders VietCredit Finance Joint Stock Company

We have audited the accompanying financial statements of VietCredit Finance Joint Stock Company ("the Company"), which comprise the statement of financial position as at 31 December 2024, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 25 March 2025, as set out on pages 6 to 73.

Management's Responsibility

The Company's Board of Management is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to Credit Institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Company's Board of Management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of VietCredit Finance Joint Stock Company as at 31 December 2024, and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to Credit Institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

Other Matter

The financial statements of the Company for the year ended 31 December 2023 were audited by another firm of auditors whose audit report dated 15 March 2024 expressed an unqualified opinion on those statements.

KPMG Limited

Vietnam

Audit Report No. 24-02-00155-25-1



Phan My Linh

Practicing Auditor Registration
Certificate No. 3064-2024-007-1
Deputy General Director

Le Nhat Vuong

Practicing Auditor Registration
Certificate No. 3849-2022-007-1

Hanoi, 25 March 2025

	Note	31/12/2024 VND	31/12/2023 VND
A ASSETS			
II Balances with the State Bank of Vietnam (“SBV”)	5	201,332,355	78,445,656
III Deposits with and loans to other credit institutions (“CIs”)	6	1,463,055,255,754	1,591,243,634,689
1 Deposits with other CIs		1,463,055,255,754	1,591,243,634,689
VI Loans to customers		6,020,825,595,659	4,184,309,272,455
1 Loans to customers	7	6,299,656,453,538	4,621,314,961,406
2 Allowance for loans to customers	8	(278,830,857,879)	(437,005,688,951)
VIII Investment securities	9	214,632,155,935	459,090,655,935
1 Available-for-sale securities		90,000,000,000	300,000,000,000
2 Held-to-maturity securities		169,200,000,000	182,200,000,000
3 Allowance for investment securities		(44,567,844,065)	(23,109,344,065)
IX Long-term investments	10	5,975,546,820	3,239,754,300
4 Other long-term investments		14,509,062,700	14,509,062,700
5 Allowance for diminution in the value of long-term investments		(8,533,515,880)	(11,269,308,400)
X Fixed assets		23,450,444,429	42,130,570,494
1 Tangible fixed assets	11	9,636,453,995	14,086,569,037
<i>a Cost</i>		38,742,354,678	41,873,801,322
<i>b Accumulated depreciation</i>		(29,105,900,683)	(27,787,232,285)
3 Intangible fixed assets	12	13,813,990,434	28,044,001,457
<i>a Cost</i>		80,867,611,115	80,867,611,115
<i>b Accumulated amortisation</i>		(67,053,620,681)	(52,823,609,658)
XII Other assets	13	434,963,796,134	569,580,076,520
1 Receivables		79,649,517,818	78,955,570,237
2 Accrued interest and fee receivables		86,617,294,176	73,861,966,734
4 Other assets		284,205,909,598	417,806,123,818
5 Allowance for other on-balance sheet assets		(15,508,925,458)	(1,043,584,269)
TOTAL ASSETS		8,163,104,127,086	6,849,672,410,049

The accompanying notes are an integral part of these financial statements

	Note	31/12/2024 VND	31/12/2023 VND	
B LIABILITIES AND SHAREHOLDERS' EQUITY				
LIABILITIES				
II	Deposits and borrowings from other CIs	14	3,805,000,000,000	2,470,000,000,000
1	Deposits from other CIs		3,062,000,000,000	1,600,000,000,000
2	Borrowings from other CIs		743,000,000,000	870,000,000,000
III	Deposits from customers	15	910,752,633,499	472,087,290,541
VI	Valuable papers issued	16	2,301,100,000,000	2,814,500,000,000
VII	Other liabilities	17	220,063,361,619	220,848,506,951
1	Accrued interest and fee payables		128,363,844,711	122,483,150,227
3	Other liabilities		91,699,516,908	98,365,356,724
TOTAL LIABILITIES			7,236,915,995,118	5,977,435,797,492
SHAREHOLDERS' EQUITY				
VIII	Capital	18	926,188,131,968	872,236,612,557
1	Capital		911,491,550,000	701,372,140,000
a	Charter capital		911,783,310,000	701,372,140,000
c	Share premium		(291,760,000)	-
2	Reserves		56,004,146,729	53,509,715,268
5	(Accumulated losses)/Retained earnings		(41,307,564,761)	117,354,757,289
TOTAL SHAREHOLDERS' EQUITY			926,188,131,968	872,236,612,557
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY			8,163,104,127,086	6,849,672,410,049

The accompanying notes are an integral part of these financial statements

	Note	31/12/2024 VND	31/12/2023 VND (Restated)
OFF-BALANCE SHEET ITEMS			
3	Non-cancellable loan commitments	33(a) 3,829,110,967,715	3,935,948,164,150
7	Uncollected loan interest and fees	33(b) 307,752,361,398	534,339,089,265
8	Written-off bad debts	33(c) 709,794,784,553	448,347,234,928
9	Other assets and documents in custody	33(d) 169,200,000,000	186,739,876,983

25 March 2025

Prepared by:



Nguyen Thi Bich Phuong
 Accountant

Approved by




Vo Thi Phuong Thao
 Chief Accountant

Ho Minh Tam
 Chief Executive Officer

The accompanying notes are an integral part of these financial statements

	Note	2024 VND	2023 VND
1 Interest and similar income	19	1,069,648,777,227	1,335,956,941,832
2 Interest and similar expenses	20	(316,472,558,415)	(420,110,668,043)
I Net interest income		753,176,218,812	915,846,273,789
3 Fee and commission income		47,139,934,046	80,144,652,101
4 Fee and commission expenses		(59,290,062,254)	(32,699,915,289)
II Net fee and commission (expense)/income	21	(12,150,128,208)	47,444,736,812
III Net gain from trading of foreign currencies	22	7,354,768	2,566,605
IV Net gain from securities held for trading		806,693,583	154,760,612
V Net loss from investment securities	23	(31,946,450,408)	(8,039,999,658)
5 Other income		369,779,714,472	536,966,966,215
6 Other expenses		(60,146,067,978)	(63,598,225,200)
VI Net profit from other activities	24	309,633,646,494	473,368,741,015
VIII Operating expenses	25	(466,826,347,441)	(578,044,555,066)
IX Operating profit before allowance expenses for credit losses		552,700,987,600	850,732,524,109
X Allowance expenses for credit losses	26	(708,368,878,189)	(828,674,310,805)
XI (Loss)/profit before tax		(155,667,890,589)	22,058,213,304
XII Corporate income tax ("CIT") expense	27	-	(5,428,670,234)
XIII (Loss)/profit after tax		(155,667,890,589)	16,629,543,070
			(Restated)
XV Basic earnings per share	29	(1,998)	226

25 March 2025

Prepared by:



Nguyen Thi Bich Phuong
 Accountant

Approved by:



Vo Thi Phuong Thao
 Chief Accountant



Ho Minh Tam
 Chief Executive Officer

The accompanying notes are an integral part of these financial statements

	2024 VND	2023 VND
CASH FLOWS FROM OPERATING ACTIVITIES		
01 Interest and similar income received	1,057,710,755,871	1,396,930,465,551
02 Interest and similar expenses paid	(310,591,863,931)	(498,750,613,531)
03 Net fees and commission (expenses)/income	(12,967,434,294)	44,312,637,550
04 Net receipts for foreign currencies and securities trading	726,097,943	157,327,559
05 Other income received	274,494,857,477	418,531,313,968
06 Proceeds from loans previously written-off	25,255,666,004	54,825,543,714
07 Payments for operating and salary expenses	(439,599,334,072)	(576,835,062,709)
08 Income tax paid during the year	-	(3,760,154,939)
Net cash flows from operating activities before changes in operating assets and liabilities	595,028,744,998	835,411,457,163
Changes in operating assets	(2,190,206,597,137)	(692,467,302,138)
10 Decrease in investment securities	223,000,000,000	140,000,000,000
12 Increase in loans to customers	(1,678,341,492,132)	(202,876,513,096)
13 Utilisation of allowance for impairment of assets (credits, securities, long-term investments)	(876,943,709,261)	(703,505,393,038)
14 Decrease in other assets	142,078,604,256	73,914,603,996
Changes in operating liabilities	1,256,646,666,266	391,892,214,623
16 Increase in deposits and borrowings from other CIs	1,335,000,000,000	1,196,000,000,000
17 Increase in deposits from customers	438,665,342,958	50,969,351,293
18 Decrease in valuable papers issued	(513,400,000,000)	(878,700,000,000)
21 (Decrease)/increase in other liabilities	(2,877,833,562)	26,870,512,833
22 Utilisations of reserves	(740,843,130)	(3,247,649,503)
I Net cash flows from operating activities	(338,531,185,873)	534,836,369,648

The accompanying notes are an integral part of these financial statements

	2024 VND	2023 VND
CASH FLOWS FROM INVESTING ACTIVITIES		
01 Payments for purchases of fixed assets	(1,292,720,000)	(8,825,712,500)
02 Proceeds from disposals of fixed assets	2,476,363,637	11,883,333
II Net cash flows from investing activities	1,183,643,637	(8,813,829,167)
CASH FLOWS FROM FINANCING ACTIVITIES		
01 Increase in share capital from share issuance	210,119,410,000	-
02 Dividend paid	(837,360,000)	-
III Net cash flows from financing activities	209,282,050,000	-
IV Net cash flows during the year	(128,065,492,236)	526,022,540,481
V Cash and cash equivalents at the beginning of the year	1,591,322,080,345	1,065,299,539,864
VII Cash and cash equivalents at the end of the year (Note 30)	1,463,256,588,109	1,591,322,080,345

25 March 2025

Prepared by:



Nguyen Thi Bich Phuong
 Accountant

Approved by:



Vo Thi Phuong Thao
 Chief Accountant



Ho Minh Tam
 Chief Executive Officer

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

1. Reporting entity

(a) Establishment and operation

VietCredit Finance Joint Stock Company (“the Company”) with English transaction name being VietCredit Finance Company is incorporated as a joint stock company in Vietnam. The Company was established with the original name of Cement Finance Joint Stock Company under Finance Company Establishment and Operation License No. 142/GP-NHNN issued by the State Bank of Vietnam (“SBV”) dated 29 May 2008 (“License 142”) with the duration of 50 years from 29 May 2008. The Company officially commenced business operation on 5 September 2008.

The Company changed its name to VietCredit Finance Joint Stock Company under Finance Company Establishment and Operation License No. 59/GP-NHNN dated 18 June 2018 issued by the Governor of the State Bank of Vietnam (“License No. 59”). License 59 superseded License No.142 and came into effect from 18 June 2018. License No. 59 was recently renewed and superseded by Finance Company Establishment and Operation License No. 48/GP-NHNN issued by the State Bank of Vietnam on 6 November 2023, as amended by Decision No. 37/QD-TTGSNH2 issued by the State Bank of Vietnam dated 10 February 2025 and Decision No. 159/QD-Cuc II.6 issued by the State Bank of Vietnam dated 13 February 2025. The operation duration of VietCredit Finance Joint Stock Company is 50 years from 29 May 2008. Currently, the Company operates under Business Registration Certificates, the most recent of which is by the 15th amended Business Registration Certificate dated 18 December 2023.

The principal activities of the Company under its Establishment and Operation License are mobilising and receiving term deposits from organisations; granting short-, medium- and long-term loans, consumption loans and finance leases to organizations and individuals based on the nature and capability of the Company’s sources of capital; conducting financial services, foreign currency trading, treasury services and other cash services as approved by the SBV.

(b) Charter capital

As at 31 December 2024, the Company’s charter capital is VND911,783,310,000 (31/12/2023: VND701,372,140,000).

(c) Address and operation network

The Company’s head office is located at 17th Floor, Mipec Tower, No. 229 Tay Son, Khuong Thuong Ward, Dong Da District, Hanoi. As at 31 December 2024, the Company has one (1) Head Office in Hanoi, one (1) branch in Ho Chi Minh City (31/12/2023: one (1) Head Office in Hanoi and one (1) branch in Ho Chi Minh City).

(d) Number of employees

As at 31 December 2024, the Company has 181 employees (31/12/2023: 1,327 employees).

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to Credit Institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting. These standards and statutory requirements may differ in some material respects from International Financial Reporting Standards and generally accepted accounting principles and standards of other countries applicable to financial reporting. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations and cash flows of the Company in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnamese accounting principles, procedures and practices applicable to Credit Institutions.

(b) Basis of measurement

The financial statements, except for the statement of cash flows, are prepared on the accrual basis using the historical cost concept. The statement of cash flows is prepared using the direct method.

(c) Annual accounting period

The annual accounting period of the Company is from 1 January to 31 December.

(d) Accounting currency

The Company's accounting currency is Vietnam Dong ("VND"). These financial statements have been prepared and presented in Vietnam Dong ("VND").

3. Changes in accounting policies

Adoption of Circular No. 31/2024/TT-NHNN and Decree No. 86/2024/ND-CP

On 30 June 2024, the SBV issued Circular No. 31/2024/TT-NHNN regulating the classification of assets in the operation of commercial banks, non-bank credit institutions and foreign bank branches ("Circular 31"). Circular 31 takes effect from 1 July 2024.

On 11 July 2024, the Government issued Decree No. 86/2024/ND-CP regulating the level and method for making allowance for credit losses, and the use of allowance to handle risks in the operation of credit institutions and foreign bank branches and in case the credit institution allocates interest receivables that must be divested ("Decree 86"). Decree 86 takes effect from 11 July 2024.

According to the allowance of Circular 31, Circular No. 11/2021/TT-NHNN issued by the SBV on 30 July 2021 regulating the classification of assets, the level and method for making allowance for credit losses, and the use of allowance to handle risks in the operation of credit institutions, foreign bank branches ("Circular 11") shall cease to be effective from the effective date of Circular 31.

The Company shall prospectively apply the allowance of Circular 31 and Decree 86 from their effective dates. Significant changes in the Company's accounting policies and their effects on its financial statements are set out in Note 4(g).

4. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Company in the preparation of these financial statements.

(a) Foreign currency

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at the account transfer buying rate and account transfer selling rate at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, demand deposits, deposits with original terms not exceeding three months, short-term investments with recovery or maturity not exceeding three months from date of purchase, which are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Deposits with other credit institutions

Deposits with other credit institutions, including demand deposits and term deposits at other credit institutions have original terms of not exceeding three months.

Deposits with other credit institutions, except demand deposits, and loans to other credit institutions are stated at the amount of the outstanding principal less specific allowance for credit loss. Demand deposits with other credit institutions are stated at cost.

Credit risk classification of term deposits with other CIs and allowance thereof is made in accordance with Circular 31 and Decree 86. Accordingly, the Company has made specific allowance for term deposits with other CIs in accordance with the policy as described in Note 4(g).

According to Decree 86, the Company is not required to make general allowance for deposits to other CIs.

(d) Investment securities

(i) Classification

Investment securities comprise available-for-sale investment securities and held-to-maturity investment securities. The Company classifies investment securities at the purchase date. In accordance with Official Letter No. 2601/NHNN-TCKT issued by the SBV on 14 April 2009, the Company is allowed to reclassify investment securities once after initial classification at the purchase date.

Available-for-sale investment securities:

Available-for-sale investment securities are debt securities held for an indefinite period and may be sold at any time.

Held-to-maturity investment securities:

Held-to-maturity investment securities are debt securities with fixed maturities and fixed or determinable payments, where the Company has the positive intention and ability to hold until maturity.

(ii) Recognition

The Company recognises investment securities on the date that it becomes a counterparty of the contract providing these securities (trade date accounting).

(iii) Measurement

Debt securities

Available-for-sale debt securities and held-to-maturity debt securities are initially recorded at cost, including purchase cost plus transaction costs and other directly attributable costs. They are subsequently recognised at amortised cost (affected by premium/discount amortisation) less allowance for investment securities (including allowance for credit risks and allowance for diminution of investment securities). Premium and discounts arising from purchases of debt securities are amortised to the statement of income on a straight-line basis over the period from the acquisition date to the maturity date of such securities.

Listed available-for-sale debt securities are measured at amortised cost less allowance for diminution in value which is determined by reference to latest trading price at the Stock Exchange within 10 days to the end of the annual accounting period. If there is no transaction within 10 days to the end of the annual accounting period, the Company will not make allowance for these securities.

Available-for-sale debt securities and held-to-maturity debt securities of unlisted enterprises are recognised at cost less allowance for credit risks according to the method as described in Note 4(g).

Post-acquisition interest income of available-for-sale debt securities and held-to maturity debt securities is recognised in the statement of income on an accrual basis. The accumulated interest income before the acquisition date is recognised as a decrease in cost upon received.

The allowance for investment securities mentioned above is reversed if their price or their recoverable value subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities' carrying value does not exceed the carrying value that has been determined if no allowance had been recognised.

(iv) Special bonds issued by Vietnam Asset Management Company ("VAMC")

Special bonds issued by VAMC are term valuable papers issued by VAMC for purchasing bad debts of the Company.

The Company accounts for debt factoring transactions using special bonds in accordance with Official Letter No. 8499/NHNN-TCKT ("Official Letter 8499") dated 14 November 2013 and Official Letter No. 925/NHNN-TCKT ("Official Letter 925") dated 19 February 2014 of the State Bank of Vietnam. The special bonds are classified into held-to-maturity investment securities and are recorded at par value at transaction date and subsequently stated at par value less allowance.

For each bad debt sold to VAMC, the Company received one special bond issued by VAMC. Par value of special bonds equals to carrying amount of loan principal balance of the bad debt less specific allowance made but not yet utilised for such bad debt.

Upon completion of bad debt factoring transactions, the Company decreases the carrying value of the bad debts, uses the specific allowance made but not yet utilised and settle the account balance of off-balance sheet account monitoring uncollected interest income of such bad debt. At the same time, the Company recognises special bonds issued by VAMC in the account of debt securities issued by local economic entities and held to maturity.

For special bonds issued by VAMC, specific allowance is calculated and provided in accordance with Circular No. 19/2013/TT-NHNN dated 6 September 2013, on the purchase, sale and settlement of bad debts of Vietnam Asset Management Company (“Circular 19”) and Circular No. 14/2015/TT-NHNN dated 28 August 2015 of the SBV, Circular No. 08/2016/TT-NHNN dated 16 June 2016 of the SBV and Circular No. 09/2017/TT-NHNN dated 14 August 2017 of the SBV, regarding the amendments of and supplements to a number of articles of Circular 19.

Accordingly, the minimum specific allowance required to be provided each year during the term of special bonds is the positive difference between the 20% of par value of the special bonds and the debt collecting amount of the relevant bad debts during the year. On an annual basis within 05 working days prior to the maturity date of special bonds, the Company shall make specific allowance and is not required to make general allowance for the special bonds. The Company shall make this allowance on a quarterly basis. Allowance for special bonds is recorded in the statement of income.

(v) ***De-recognition***

The Company derecognises investment securities when the contractual rights to the cash flows from these securities have expired or when the significant risks and rewards of ownership of these securities have been transferred.

(e) **Long-term investments**

Other long-term investments

Other long-term investments are investments in the equity of other companies without having control or significant influence. These long-term investments are initially recognised at cost at the date of acquisition, and subsequently stated at cost less allowance for diminution in the value of investments.

Allowance for diminution in value of long-term investments

Allowance for diminution in value of long-term investments is made if the economic entity has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. Allowance for diminution in value is determined as the total actual investment capital of the owner at the investee less (-) the owner's equity of the investee multiplied (x) by the Company's ownership percentage in the investee at the end of the annual accounting period.

The allowance is reversed if the recoverable value is subsequently increased after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying value does not exceed the carrying value that has been determined if no allowance had been recognised.

(f) Loans and advances to customers

Loans and advances to customers are presented at the principal amount less allowance for loans to customers, including specific allowance for credit losses and general allowance for credit losses.

Short-term loans are those with term up to one year from the loan disbursement date; medium-term loans are those with term over one year to five years from the loan disbursement date and long-term loans are those with term of more than five years from the loan disbursement date.

The Company derecognises loans to customers when the contractual rights to the cash flows from the loans expire, or it transfers the loans in a transaction in which substantially all of the risks and rewards of ownership of the loans are transferred to other parties. For the loans sold to VAMC, the Company shall derecognise them from the statement of financial position in accordance with the guidance in Official Letter 8499 and Official Letter 925.

Debt classification and allowance for loans to customers are made in accordance with Circular 31 and Decree 86 as described in Note 4(g).

(g) Debt classification and the allowance rate and method of making allowance for credit risk

(i) Debt classification

Before 1 July 2024

The classification of debts for deposits at other credit institutions (except for current deposits and deposits at the Bank for Social Policies in accordance with the regulations of the State Bank of Vietnam on the maintenance of deposit balances at the Bank for Social Policies by state-owned credit institutions); purchase or entrusted purchase of corporate bonds (including bonds issued by other credit institutions) that have not been listed on the stock market or have not been registered for trading on the Upcom trading system (collectively referred to as "unlisted bonds"), excluding the purchase of unlisted bonds with trust capital at the risk of the trustee; loans to customers and loans to other credit institutions (including loans, financial leases, discounts, rediscounts of negotiable instruments and other valuable papers, factorings, credit extension in the form of credit card issuance and payments in lieu of off-balance sheet commitments); credit entrustment; debts that have been sold but the proceeds therefrom have not yet been fully collected; repurchased debts; purchase and resale of government bonds in the stock market; purchase of promissory notes, bills and certificates of deposit issued by other credit institutions (collectively referred to as "debts" shall be carried out according to the method based on quantitative factors as prescribed in Article 10 of Circular 11.

From 1 July 2024

The classification of debts for deposits at other credit institutions (except for demand deposits and deposits at the Bank for Social Policies in accordance with the regulations of the State Bank of Vietnam on the maintenance of deposit balances at the Bank for Social Policies by state-owned credit institutions); purchase or entrusted purchase of corporate bonds (including bonds issued by other credit institutions) that have not been listed on the stock market or have not been registered for trading on the Upcom trading system (collectively referred to as "unlisted bonds"), excluding the purchase of unlisted bonds with trust capital at the risk of the trustee; loans to customers and loans to other credit institutions (including loans, financial leases, discounts, rediscounts of negotiable instruments and other valuable papers, factorings, credit extension in the form of credit card issuance and payments in lieu of off-balance sheet commitments); credit entrustment; debts that have been sold but the proceeds therefrom have not yet been fully collected; repurchased debts; purchase and resale of government bonds in the stock market; purchase of certificates of deposit issued by other credit institutions; debts arising from letter of credit issuance, letter of credit refund, letter of credit payment negotiation and outright purchases without recourse of documents (collectively referred to as "debts") shall be carried out according to the method based on quantitative factors as prescribed in Article 10 and 11 of Circular 31. Accordingly, the Company implements monthly debt classification based on loan principal balance at the last day of the month.

The Company implements monthly debt classification based on the principal balance at the end of the month using the quantitative method as follows:

<i>Debt group</i>		<i>Overdue status</i>
1	Current	(a) Current debts being assessed as fully and timely recoverable, both principal and interest; or (b) Debts being overdue for less than 10 days and being assessed as fully recoverable, both overdue principal and interest, and fully and timely recoverable, both remaining principal and interest.
2	Special mentioned	(a) Debts being overdue between 10 days and 90 days; or (b) Debts having terms of repayment rescheduled for the first time.
3	Sub-standard	(a) Debts being overdue between 91 days and 180 days; or (b) Debts having terms of repayment extended for the first time which is undue; or (c) Debts having interest exempt or reduced because customers are not able to pay the interest according to the credit contract; or (d) Debts falling in one of the following cases not yet collected within 30 days since the issuance date of recovery decision: <ul style="list-style-type: none"> ▪ Debts having violated regulations specified in Points 1, 3, 4, 5, 6 of Article 134 of Laws on Credit Institutions; or ▪ Debts having violated regulations specified in Points 1, 2, 3, 4 of Article 135 of Laws on Credit Institutions; or ▪ Debts having violated regulations specified in Points 1, 2, 5, 9 of Article 136 of Laws on Credit Institutions. (e) Debts in the collection process under inspection conclusions; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period of less than 30 days from the date of the collection decision.
4	Doubtful	(a) Debts being overdue between 181 days and 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue less than 90 days according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time which is undue; or (d) Debts specified in point (d) of Sub-standard debts not yet collected between 30 days and 60 days since the issuance date of recovery decision; or (e) Debts in the collection process under inspection conclusions but being overdue up to 60 days according to recovery term; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period between 30 to 60 days from the date of the collection decision.

<i>Debt group</i>		<i>Overdue status</i>
5	Loss	(a) Debts being overdue more than 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue from 90 days and more according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time and being overdue according to the second reschedule terms of repayment; or (d) Debts having terms of repayment rescheduled for the third time or more, regardless of whether the debts are overdue or not; or (e) Debts specified in point (d) of Sub-standard debts not yet collected over 60 days since the issuance date of recovery decision; or (f) Debts in the collection process under inspection conclusions but being overdue of more than 60 days according to recovery term; or (g) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected for more than 60 days from the date of the collection decision; or (h) Debts to credit institutions being announced under special supervision status by the SBV, or to foreign bank branches of which capital and assets are blockaded.

Debts are classified into a higher risk debt group in the following cases:

- Profitability ratio, solvency ratio, debt-to-capital ratio, cash flows and debt repayment ability of customers have decreased continuously through 03 consecutive debt assessment and classification periods;
- The Customers fail to provide sufficient, timely and truthful information as required to assess the customer's debt repayment ability;
- Debts that have been classified into Special mentioned, Substandard and Doubtful debts as prescribed in points (a), (b) above for 01 (one) year or more but are not eligible to be classified into a debt group with lower risk;
- Debts for which the act of granting credit is administratively sanctioned as prescribed by law.

For off-balance sheet commitments, the Company classified debts based on the number of overdue days from the date when the Company performs its obligation under the commitments:

- Group 3 – Sub-standard debts: overdue below 30 days;
- Group 4 – Doubtful debts: overdue from 30 days to less than 90 days;
- Group 5 – Loss debts: overdue from 90 days and above.

Bad debts are those under Groups 3, 4 and 5.

Where a customer owes more than one debt to the Company and has any of its debts classified to a higher risk group of debts, the Company is obliged to classify the remaining debts of such customer into the group of debts with the highest risk.

The Company also collects loan classification results of the customers provided by the Credit Information Center of the SBV (“CIC”) at the date of loan classification in order to adjust its own classification of loans. If a customer’s loans and off-balance sheet commitments are classified in a loan group that has a lower risk than the loan groups provided in CIC’s list, the Company shall adjust its classification of loans and off-balance commitments following the loan groups provided by CIC.

Debt classification for debts with restructured repayment terms, exemption or reduction of interest and fees to support customers in difficulty

The Company applied Circular No. 02/2023/TT-NHNN dated 23 April 2023 (“Circular 02”) issued by the SBV on loan restructuring and debt classification retention to assist borrowers facing difficulties, Circular No. 06/2024/TT-NHNN dated 18 June 2024 (“Circular 06”) issued by the SBV amends and supplements a number of articles of Circular 02. Accordingly, for the balance of principal and/or interest of debts:

- granted before 24 April 2023 and from lending and financial leasing activities;
- incurred principal and/or interest during the period from 24 April 2023 to 31 December 2024;
- with the outstanding debt balance being undue or up to 10 (ten) days overdue from the due date according to the contract/agreement;
- is evaluated by the Company as being unable to repay the principal and/or interest on schedule under the signed loan contract, agreement due to decrease in revenue or income compared to that in the plan for payment of loan principals and/or interests under the contract or agreement; evaluated by the Company as being able to pay off the loan principal and/or interest on the rescheduled due date; and
- and not in violation of laws,

the Company is allowed to reschedule loan repayment periods and keep loan groups unchanged as those at the most recent date to the rescheduling date.

(ii) *Specific allowance for credit losses*

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), specific allowance for credit risks at the end of each month is determined based the allowance rates corresponding to debt classification results and debt principals balance as at the end of the month less discounted value of collateral assets.

The rates of specific allowance for specific loan groups are as follows:

Group	Loan group	Rates of specific allowance
1	Current debts	0%
2	Special mentioned debts	5%
3	Sub-standard debts	20%
4	Doubtful debts	50%
5	Loss debts	100%

The maximum discounted value and rate of collateral assets is determined in accordance with regulations in Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024) whereby each type of collateral assets has a certain maximum deduction rate for the purpose of calculating the allowance.

Additional specific allowance under Circular No. 02 and Circular No. 06

The Company determined and recorded the specific allowance amount required to be added for all loan balances of customers with repayment period rescheduled and loan groups kept unchanged under the allowance of Circular 02 and Circular 06 as follows:

Additional allowance	Deadline
At least 50% of total specific allowance required to be added	Until 31 December 2023
Providing the remaining to reach 100% of specific allowance required to be added	Until 31 December 2024

As at 31 December 2024, the Company has made 100% of the additional specific allowance as prescribed above.

(iii) *General allowance for credit risks*

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), general allowance is made at the rate of 0.75% of total outstanding debts balance at the last day of each month for debts classified from debts Group 1 to debts Group 4, except for the following:

- Deposits at other credit institutions, foreign bank branches;
- Loans and term purchases of valuable papers between credit institutions and foreign bank branches in Vietnam;
- Purchase of promissory notes, bills, certificates of deposits and bonds issued by other credit institutions, foreign bank branches issued domestically;
- Repurchases and resale of Government bonds; and
- Debts arising from the activities specified in Clause 2, Article 3 of Decree 86 between credit institutions and foreign bank branches in Vietnam in accordance with the law.

The general allowance as at 31 December 2024 is calculated based on the results of debt classification and principal balance as at 31 December 2024.

(iv) *Bad debts written-off*

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), debts are written-off against the allowance when they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations and enterprises) or borrowers are deceased or missing (for borrowers being individuals).

Written-off debts against allowance are recorded as off-balance sheet items for following up and collection. The amounts collected from the written-off debts are recognised in the statement of income upon receipt.

(v) *Classification and allowance for off-balance sheet commitments*

According to Circular 11 (before 1 July 2024) and Circular 31 (from 1 July 2024), the debt classification of off-balance sheet commitments is done solely for risk management and credit quality supervision of credit granting activities. The Company is not required to provide allowance for off-balance sheet commitments, except where the Company has been required to make payment under the guarantee contract, in which case the payment on behalf is classified and allowance is made in accordance with the accounting policy as described in Note 4(g)(i) and Note 4(g)(ii).

(h) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the statement of income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

When tangible fixed assets are sold or disposed, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the remaining value) is included in the statement of income.

(ii) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of items of tangible fixed assets. The estimated useful lives are as follows:

▪ buildings and structures	5 years
▪ means of transportation	8 years
▪ office equipment and furniture	3 - 7 years

(i) Intangible fixed assets

(i) Software

The cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software costs are amortised on a straight-line basis over a period ranging from 3 to 7 years.

(ii) Other intangible fixed assets

Other intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is computed on a straight-line basis over 7 years.

(j) Other assets

Other assets, except for accounts receivable, are recognised at cost less allowance for on-balance sheet assets.

Allowance for on-balance sheet assets is made based on overdue date of debts or estimated loss arising from undue debts of which the indebted economic entities fall bankrupt or are undergoing dissolution procedures; debtors are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Allowance expense is recorded in operating expense during the year.

For the overdue assets, the Company applies the rate of allowance by overdue period as follows:

Overdue period	Rate of allowance
▪ From 6 months to below 1 year	30%
▪ From 1 year to below 2 years	50%
▪ From 2 years to below 3 years	70%
▪ From 3 years and above	100%

Allowance for on-balance sheet assets provided for expected losses of undue debts is determined by the Company after considering the recovery of these debts.

Foreclosed assets transferred to the CIs awaiting resolution

Foreclosed assets transferred to the CIs awaiting resolution represent the foreclosed value of collaterals plus attributable costs of bringing the asset to its working condition and location for its intended use less accumulated depreciation. Depreciation is computed on a straight-line basis over periods ranging from 11 to 15 years.

Costs awaiting for amortisation

Costs awaiting for amortisation related to consumer lending are direct expenses attributable to lending activities and are recognised and amortised on a straight-line basis over 3 years in accordance with the valid term of the card loans.

Other costs awaiting for amortisation include tools and instruments awaiting for amortisation. Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 1 to 3 years.

(k) Deposits and borrowings from other CIs

Deposits and borrowings from other CIs are stated at cost.

(l) Deposits from customers

Deposits from customers are stated at cost.

(m) Valuable papers issued

Valuable papers issued are stated at cost. Costs of valuable papers issued include amounts received from issuance less direct expenses of issuance.

(n) Other payables

Other payables are stated at cost.

(o) Provisions

A provision, is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities.

(p) Capital

(i) Charter capital

Ordinary shares are recognised at issuance price less incremental costs directly attributable to the issuance of shares, net of tax effects. Such costs are recognised as a deduction from share premium.

(ii) Share premium

Share premium represents the difference (increase or decrease) between the issue price and the par value of the shares.

(q) Reserves and funds

Statutory reserve

Before 1 July 2024

According to Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government of Vietnam providing regulations on the financial regime applicable to credit institutions (“Decree 93”), the Company is required to make the following allocations before distribution of profits:

	Annual allocation	Maximum balance
Reserve to supplement charter capital	5% of profit after tax	100% charter capital
Financial reserve	10% of profit after tax	Not regulated

From 1 July 2024

According to the Law on Credit Institutions No. 32/2024/QH15 passed by the National Assembly on 18 January 2024 which becomes effective from 1 July 2024 (“the Law on Credit Institutions”), every year, the Company is required to make the following reserves before distribution of profits:

	Annual allocation	Maximum balance
Reserve to supplement charter capital	10% of profit after tax	100% charter capital
Financial reserve	10% of profit after tax	Not regulated

The financial reserve is used to cover losses incurred during the normal course of business. The financial reserve and the reserve to supplement charter capital are not used to pay dividends to shareholders or distribute profit to owners or capital contributors and classified as equity.

Other equity funds are allocated from profit after tax. The allocation from profit after tax and the utilisation of other equity funds are approved in the General Meeting of Shareholders. These funds are not required by law and are fully distributable.

(r) Bonus and welfare fund

Bonus and welfare fund is not required by law and is fully distributable and is used primarily to make payments to the Company's employees. Bonus and welfare fund is established by appropriating from net profits after tax in accordance with resolutions of the General Meetings of Shareholders and is recognised in liabilities of the Company. The appropriation rate is decided by the Annual General Meeting of Shareholders of the Company.

(s) Revenue

(i) Interest income

Interest income is recognised in the statement of income on an accrual basis, except for interest income on loans classified in Group 2 to Group 5 described in Note 4(g) and debts kept unchanged in Group 1 as a result of adoption of Circular 02 and Circular 06. For loans that are classified in Group 2 to Group 5 as described in Note 4(g), the interest receivable will be derecognised and recorded as off-balance sheet items. When a debt is kept unchanged in the Current debts group as a result of adopting Circular 02 and Circular 06, the interest receivable arising during the year is not accounted for as income and the Company monitors such interest income on an off-balance sheet basis. Interest income of such debts is recognised in the statement of income upon receipt.

(ii) Fee and commission income

Fee and commission income is recognised in the statement of income when services are rendered.

(iii) Income from investing activities

Income from sale of securities is recognised in the statement of income upon receipt of the order matching notice from Vietnam Securities Depository and Clearing Corporation (formerly Vietnam Securities Depository) (listed securities) and completion of the assets transfer agreement (unlisted securities) and is determined based on the differences between selling price and weighted average cost of securities sold.

Dividend income in cash and profit received from investment activities and capital contribution are recorded into the statement of income when the Company's right to receive dividends and profit has been established.

Dividends received in the form of shares of joint stock companies are not recognised as an increase in investment and such dividend income is not recognised in the statement of income. When share dividends are received, the Company only recognises an increase in the number of shares.

(iv) Income from service activities

Income from service activities is recognised in the statement of income when services are rendered.

(t) Interest expenses

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

(u) Service-related expenses

Service-related expenses are recognised in the statement of income when these expenses are incurred.

(v) Operating lease payments

Payments made under operating leases are recognised in the statement of income on a straight-line basis over the term of the lease. Lease incentives received are recognised in the statement of income as an integral part of the total lease expense, over the term of the lease.

(w) Taxation

Corporate income tax on the profit for the year comprises current and deferred tax. The corporate income tax is recognised in the statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

Deferred income tax is provided using the statement of financial position method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred tax provided is based on the expected manner of realisation or settlement of the carrying amounts of assets and liabilities using the tax rates enacted or substantively enacted at the end of the annual accounting period.

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(x) Basic earnings per share

The Company presents basic earnings per share ("EPS") for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. As at 31 December 2024 and for the year then ended, the Company has no potential ordinary shares and therefore does not present diluted EPS.

(y) Related parties

Parties are considered to be related to Company if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where Company and the other party are subject to common control or significant influence. Related parties may be individuals or corporate entities and include close family members of any individual considered to be a related party.

(z) Segment report

A segment means a Company's individually identifiable component involved in the supply of related products or services (segmented by business), or the provision of products or services in a particular economic environment (segment divided by geographic area), each of these sectors bears different risks and benefits from the others. The Company's primary template for segment reporting is disaggregated by geographic area.

(aa) Commitments and contingent liabilities

From time to time during its normal course of business, the Company has outstanding credit commitments. These commitments are approved and unutilised loans and overdraft facilities. The Company also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. These transactions are recorded in the financial statements when performed or when related expenses are incurred or received.

(bb) Classification of financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the financial position and results of operations and the nature and extent of risk arising from financial instruments, the Company classifies its financial instruments as follows:

(i) Financial assets

Financial assets recognised at fair value through profit or loss:

A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:

- It is considered by management as held for trading. A financial asset is considered as held for trading if:
 - it is acquired principally for the purpose of selling it in the near-term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by Company as financial assets at fair value through profit or loss.

Held-to-maturity investments:

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that Company has the positive intention and ability to hold to maturity, other than:

- Financial assets that, upon initial recognition, were categorised as financial assets such recognised at fair value through profit or loss;
- Financial assets already categorised as assets that available for sale; or
- Financial assets that meet the definitions of loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that Company intends to sell immediately or in the near-term, which are classified as held for trading, and those that the entity on initial recognition designates as financial assets at fair value through profit or loss;
- that Company, upon initial recognition, designates as available-for-sale; or
- for which Company may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as assets available-for-sale.

Available-for-sale financial assets

Available-for-sale assets are non-derivative financial assets that are designated as available for sale or are not classified as:

- Financial assets at fair value through profit or loss;
- Held-to-maturity investments; or
- Loans and receivables.

(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held for trading. Financial liability is considered as held for trading if:
 - it is incurred principally for the purpose of repurchasing it in the near-term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by Company as financial liabilities at fair value through profit or loss.

Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

(cc) Comparative information

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Company's financial position, operating performance or cash flows for the prior year.

(dd) Nil balances

Items or balances required by Circular No. 49/2014/TT-NHNN issued by the SBV on 31 December 2014 (“Circular 49”) and Circular No. 27/2021/TT- NHNN issued by the SBV on 31 December 2021 on amending Chart of Accounts of credit institutions enclosed with Decision No. 479/2004/QD-NHNN dated 29 April 2004 and the financial reporting requirements for credit institutions enclosed with Decision No. 16/2007/QD-NHNN dated 18 April 2007 of Governor of the State Bank of Vietnam that are not shown in these financial statements indicate nil balances.

5. Balances with the State Bank of Vietnam

These consist of a compulsory reserve for liquidity and current accounts.

	31/12/2024	31/12/2023
	VND	VND
Balances with SBV in VND	201,332,355	78,445,656

Under the State Bank of Vietnam’s regulations relating to the compulsory reserve, the Company is permitted to maintain a floating balance for the compulsory reserve requirement (“CRR”). The monthly average balance of the reserve must not be less than CRR rates multiply with preceding month’s average balances of deposits in scope.

The CRR rates at the year-end were as follows:

Currency	CRR rate	
	31/12/2024	31/12/2023
Preceding month’s average balances of:		
▪ Deposits in VND with term of less than 12 months	3.00%	3.00%
▪ Deposits in VND with term of and over 12 months	1.00%	1.00%

Annual interest rates at the year-end were as follows:

	31/12/2024	31/12/2023
Deposits in VND within the CRR	0.50%	0.50%
Deposits in VND beyond the CRR	0.00%	0.00%

6. Deposits with and loans to other credit institutions

	31/12/2024 VND	31/12/2023 VND
Demand deposits		
Demand deposits in VND	200,435,719,120	240,979,846,000
Demand deposits in foreign currencies	2,619,536,634	263,788,689
	<u>203,055,255,754</u>	<u>241,243,634,689</u>
Term deposits		
Term deposits in VND	1,260,000,000,000	1,350,000,000,000
	<u>1,463,055,255,754</u>	<u>1,591,243,634,689</u>

Term deposits with and loans to other CIs by groups at the year-end were as follows:

	31/12/2024 VND	31/12/2023 VND
Group 1 - Current debt	<u>1,260,000,000,000</u>	<u>1,350,000,000,000</u>

Annual interest rates at the year-end were as follows:

	31/12/2024	31/12/2023
Term deposits in VND	<u>3.50% - 5.60%</u>	<u>0.55% - 3.00%</u>

7. Loans to customers

	31/12/2024 VND	31/12/2023 VND
Loans to local economic entities and individuals	<u>6,299,656,453,538</u>	<u>4,621,314,961,406</u>

Loan portfolio by debt groups was as follows:

	31/12/2024 VND	31/12/2023 VND
Group 1 - Current debts	5,690,990,189,299	3,393,352,913,416
Group 2 - Special mentioned debts	209,957,229,423	374,568,709,050
Group 3 - Substandard debts	100,069,755,920	266,277,036,570
Group 4 - Doubtful debts	194,030,901,924	543,350,088,685
Group 5 - Loss debts	104,608,376,972	43,766,213,685
	<u>6,299,656,453,538</u>	<u>4,621,314,961,406</u>

Loan portfolio by terms was as follows:

	31/12/2024 VND	31/12/2023 VND
Short-term loans	3,732,842,173,633	1,513,340,939,241
Medium-term loans	2,363,813,368,300	3,092,428,852,805
Long-term loans	203,000,911,605	15,545,169,360
	6,299,656,453,538	4,621,314,961,406

Loan portfolio by types of borrowers was as follows:

	31/12/2024		31/12/2023	
	VND	%	VND	%
Loans to economic entities	768,451,223,691	12.20%	1,055,513,850,050	22.84%
<i>Other joint stock companies</i>	618,784,356,950	9.82%	904,841,595,050	19.58%
<i>Limited companies</i>	149,666,866,741	2.38%	150,672,255,000	3.26%
Loans to individuals and unions	5,531,205,229,847	87.80%	3,565,801,111,356	77.16%
	6,299,656,453,538	100.00%	4,621,314,961,406	100.00%

Loan portfolio by industry sectors was as follows:

	31/12/2024		31/12/2023	
	VND	%	VND	%
Individual and public services	3,194,604,318,242	50.71%	3,565,801,111,356	77.16%
Manufacturing and production of construction materials	53,987,866,741	0.86%	4,841,595,050	0.11%
Commerce, repair of motor vehicles, motor-cycles, individual and household appliances	2,107,870,800,000	33.46%	672,255,000	0.01%
Finance, insurance	693,500,000,000	11.01%	1,050,000,000,000	22.72%
Real estate trading	186,000,000,000	2.95%	-	-
Employment activities in households, production of material products and services for household consumption	6,019,111,605	0.10%	-	-
Art, entertainment and recreation	10,000,000,000	0.16%	-	-
Agriculture, forestry and aquaculture	31,320,000,000	0.50%	-	-
Transportation and warehouse	16,354,356,950	0.25%	-	-
	6,299,656,453,538	100.00%	4,621,314,961,406	100.00%

Annual interest rates of loans to customers at the year-end were as follows:

	31/12/2024	31/12/2023
Loans in VND	3.50% - 72.00%	8.00% - 57.00%

8. Allowance for loans to customers

Allowance for loans to customers consists of:

	31/12/2024 VND	31/12/2023 VND
General allowance	46,625,381,192	34,331,616,488
Specific allowance	232,205,476,687	402,674,072,463
	278,830,857,879	437,005,688,951

Movements in allowance for loans to customers for the year ended 31 December 2024 were as follows:

	General allowance VND	Specific allowance VND	Total VND
Opening balance	34,331,616,488	402,674,072,463	437,005,688,951
Allowance made during the year (Note 26)	12,743,959,547	693,024,918,642	705,768,878,189
Allowance utilised during the year	(450,194,843)	(863,493,514,418)	(863,943,709,261)
Closing balance	46,625,381,192	232,205,476,687	278,830,857,879

Movements in allowance for loans to customers for the year ended 31 December 2023 were as follows:

	General allowance VND	Specific allowance VND	Total VND
Opening balance	32,744,478,963	247,483,609,964	280,228,088,927
Allowance made during the year (Note 26)	1,924,527,010	825,149,783,795	827,074,310,805
Allowance utilised during the year	(337,389,485)	(669,959,321,296)	(670,296,710,781)
Closing balance	34,331,616,488	402,674,072,463	437,005,688,951

9. Investment securities

	31/12/2024 VND	31/12/2023 VND
Available-for-sale securities		
<i>Debt securities</i>		
Debt securities issued by other local credit institutions	90,000,000,000	300,000,000,000
Held-to-maturity investment securities		
<i>Debt securities (excluding special bonds issued by VAMC)</i>		
Bonds issued by local economic entities		
- Vietnam Debt and Asset Trading Corporation ("DATC")	40,200,000,000	40,200,000,000
<i>Special bonds issued by VAMC</i>		
Special bonds cost	129,000,000,000	142,000,000,000
	169,200,000,000	182,200,000,000
Allowance for investment securities		
Allowance for held-to-maturity investment securities (excluding special bonds issued by VAMC) (i)		
Allowance for special bonds (ii)	(40,200,000,000)	(8,341,500,000)
	(4,367,844,065)	(14,767,844,065)
	(44,567,844,065)	(23,109,344,065)
Investment securities	214,632,155,935	459,090,655,935

Portfolio of debt securities classified assets with credit risk by loan groups was as follows:

	31/12/2024 VND	31/12/2023 VND
Sub-standard debts	-	40,200,000,000
Loss debts	40,200,000,000	-
	40,200,000,000	40,200,000,000

- (i) Movements in allowance for held-to-maturity investment securities (excluding special bonds issued by VAMC) during the year were as follows:

	2024 VND	2023 VND
Opening balance	8,341,500,000	301,500,000
Allowance made during the year <i>(Note 23)</i>	31,858,500,000	8,040,000,000
Closing balance	<u>40,200,000,000</u>	<u>8,341,500,000</u>

- (ii) Movements in allowance for special bonds issued by VAMC during the year were as follows:

	2024 VND	2023 VND
Opening balance	14,767,844,065	46,320,112,101
Allowance made during the year <i>(Note 26)</i>	2,600,000,000	1,600,000,000
Allowance utilised during the year	(13,000,000,000)	(33,152,268,036)
Closing balance	<u>4,367,844,065</u>	<u>14,767,844,065</u>

10. Long-term investments

	31/12/2024		31/12/2023	
	% of ownership	% of voting rights	% of ownership	% of voting rights
	Cost VND	Allowance VND	Cost VND	Allowance VND
Med-Aid Cong Minh Joint Stock Company	8.64%	8.64%	2,150,000,000	(2,150,000,000)
Thong Nhat Flat Steel Joint Stock Company	6.00%	6.00%	12,359,062,700	(6,383,515,880)
			14,509,062,700	(8,533,515,880)

Movements in allowance for diminution in the value of long-term investments during the year were as follows:

	2024 VND	2023 VND
Opening balance	11,269,308,400	11,029,326,600
Allowance (reversed)/made during the year (Note 25(i))	(2,735,792,520)	239,981,800
Closing balance	8,533,515,880	11,269,308,400

11. Tangible fixed assets

Year ended 31 December 2024

	Buildings and structures VND	Means of transportation VND	Office equipment VND	Total VND
Cost				
Opening balance	1,318,354,477	16,521,960,000	24,033,486,845	41,873,801,322
Additions	-	-	1,292,720,000	1,292,720,000
Disposals	-	(3,704,880,000)	(719,286,644)	(4,424,166,644)
Closing balance	1,318,354,477	12,817,080,000	24,606,920,201	38,742,354,678
Accumulated depreciation				
Opening balance	1,318,354,477	7,905,463,144	18,563,414,664	27,787,232,285
Charge for the year	-	1,579,842,499	2,397,414,302	3,977,256,801
Disposals	-	(1,950,652,090)	(707,936,313)	(2,658,588,403)
Closing balance	1,318,354,477	7,534,653,553	20,252,892,653	29,105,900,683
Net book value				
Opening balance	-	8,616,496,856	5,470,072,181	14,086,569,037
Closing balance	-	5,282,426,447	4,354,027,548	9,636,453,995

Year ended 31 December 2023

	Buildings and structures VND	Means of transportation VND	Office equipment VND	Total VND
Cost				
Opening balance	1,318,354,477	16,521,960,000	20,660,919,845	38,501,234,322
Additions	-	-	3,525,500,000	3,525,500,000
Disposals	-	-	(152,933,000)	(152,933,000)
Closing balance	1,318,354,477	16,521,960,000	24,033,486,845	41,873,801,322
Accumulated depreciation				
Opening balance	1,318,354,477	6,059,548,144	15,146,427,402	22,524,330,023
Charge for the year	-	1,845,915,000	3,556,848,596	5,402,763,596
Disposals	-	-	(139,861,334)	(139,861,334)
Closing balance	1,318,354,477	7,905,463,144	18,563,414,664	27,787,232,285
Net book value				
Opening balance	-	10,462,411,856	5,514,492,443	15,976,904,299
Closing balance	-	8,616,496,856	5,470,072,181	14,086,569,037

Included in tangible fixed assets were assets costing VND19,999,946,914 which were fully depreciated as of 31 December 2024 (31/12/2023: VND14,575,895,757), but which are still in use.

12. Intangible fixed assets

Year ended 31 December 2024

	Software VND	Other intangible fixed assets VND	Total VND
Cost			
Opening and closing balance	76,012,778,699	4,854,832,416	80,867,611,115
Accumulated amortisation			
Opening balance	49,335,959,424	3,487,650,234	52,823,609,658
Charge for the year	13,541,603,303	688,407,720	14,230,011,023
Closing balance	62,877,562,727	4,176,057,954	67,053,620,681
Net book value			
Opening balance	26,676,819,275	1,367,182,182	28,044,001,457
Closing balance	13,135,215,972	678,774,462	13,813,990,434

Year ended 31 December 2023

	Software VND	Other intangible fixed assets VND	Total VND
Cost			
Opening balance	67,044,566,199	8,522,832,416	75,567,398,615
Additions in the year	5,300,212,500	-	5,300,212,500
Other adjustments	3,668,000,000	(3,668,000,000)	-
Closing balance	76,012,778,699	4,854,832,416	80,867,611,115
Accumulated amortisation			
Opening balance	37,064,908,233	2,799,242,524	39,864,150,757
Charge for the year	12,271,051,191	688,407,710	12,959,458,901
Closing balance	49,335,959,424	3,487,650,234	52,823,609,658
Net book value			
Opening balance	29,979,657,966	5,723,589,892	35,703,247,858
Closing balance	26,676,819,275	1,367,182,182	28,044,001,457

Included in intangible fixed assets were assets costing VND5,683,335,312 which were fully amortised as of 31 December 2024 (31/12/2023: VND5,430,335,312), but which are still in use.

13. Other assets

	31/12/2024 VND	31/12/2023 VND
Receivables (a)	79,649,517,818	78,955,570,237
Interest and fee receivables (b)	86,617,294,176	73,861,966,734
Other assets (c)	284,205,909,598	417,806,123,818
Allowance for other on-balance sheet assets (d)	(15,508,925,458)	(1,043,584,269)
	434,963,796,134	569,580,076,520

(a) Receivables

	31/12/2024 VND	31/12/2023 VND
Internal receivables		
Receivables from employees	1,652,064,546	393,604,102
External receivables		
Advances to suppliers on finishing fees for ship CFC 05 (i)	14,219,739,430	14,219,739,429
Receivables from payment channels of partners	47,409,734,052	26,106,228,648
Deposits for head office rental	5,303,442,751	10,709,647,062
Taxes receivable from State Treasury (Note 32)	5,125,192,206	3,460,061,862
Corporate income tax overpaid	3,460,061,862	3,460,061,862
Input VAT	1,665,130,344	-
Amount waiting reimbursement on subsidised loans from SBV	1,064,584,890	1,064,584,890
Deposit for insurance agent contract	-	15,000,000,000
Other receivables	4,874,759,943	8,001,704,244
	79,649,517,818	78,955,570,237

- (i) This represents the advance paid by the Company for finishing Ship CFC 05 to the lead contractor, An Dong Joint Stock Company (“An Dong”) under Economic Contract No. 01/2015/CFC-AD dated 25 September 2015 and related contracts on supply of equipment and services to other sub-contractors. In 2020 and 2021, the Company and An Dong met to discuss and work on the completion progress of the ship. At the same time, the Company signed a contract with Huong Anh Shipping Trading Company Limited (“Huong Anh”) on 30 December 2021, under which, Huong Anh would be in charge of consulting and supervising the completion of the CFC 05 ship resumed by An Dong, ensuring to put into operation and exploitation within 30 months from the date of signing the contract between the Company and Huong Anh. This contract expired on 20 December 2024. The Company is still in the process of seeking a new contractor to continue performing technical registration procedures and completing documents and certificates to put CFC 05 ship into operation. As at 31 December 2024, the Company made 100% of allowance for this advance payment.

(b) Interest and fee receivables

	31/12/2024 VND	31/12/2023 VND
Interest receivables from deposits in VND	817,753,426	460,000,001
Interest receivables from investment securities	2,201,178,083	9,954,794,521
Interest receivables from loans in VND	73,410,976,407	50,886,895,843
Fee receivables	10,187,386,260	12,560,276,369
	86,617,294,176	73,861,966,734

(c) Other assets

	31/12/2024 VND	31/12/2023 VND
Foreclosed assets transferred to the CI waiting for resolution (i)	106,128,067,925	113,534,827,301
Prepaid expenses	178,077,841,673	304,271,296,517
In which:		
• <i>Tools and instruments (ii)</i>	1,047,542,275	2,899,036,597
• <i>Office repair (iii)</i>	6,295,780,190	5,785,675,976
• <i>Consumer lending activity (iv)</i>	163,231,258,108	276,610,809,585
• <i>Prepaid expenses - management</i>	7,443,473,249	18,352,230,019
• <i>Other prepaid expenses</i>	59,787,851	623,544,340
	284,205,909,598	417,806,123,818

- (i) These represent collaterals being ships collected for settlement of customer's debts. Since 2018, for the finished ships, the Company has implemented bareboat chartering. Accordingly, the Company recognizes the revenue from chartering ships as other business income and simultaneously records the depreciation expense and dry-docking expense of these ships as other business expenses of the Company. For the year ended 31 December 2024, the Company recognised depreciation charges for the ships of VND7,406,759,376 (2023: VND8,473,555,211) (Note 24).

Details of foreclosed assets as at 31 December 2024 were as follows:

Assets	Mortgaging party	Value determined by parties upon foreclosure		Value added tax (b)	Foreclosure value (c) = (a) + (b)	Finishing expenses (d)	Depreciation charged (e)	Carrying amount (g) = (c) + (d) + (e)
		(a)	(b)					
Ship CFC 01	Huong Thinh Land-Route and Ship Transport JSC	51,682,398,851	5,168,239,885	56,850,638,736	3,424,131,515	(41,522,619,540)	18,752,150,711	
Ship CFC 02	Manh Ha Sea Transport Co., Ltd.	45,367,988,183	4,536,798,818	49,904,787,001	921,833,300	(38,967,075,594)	11,859,544,707	
Ship CFC 04 (*)	Huong Thuy Joint Stock Company	36,214,198,928	-	36,214,198,928	936,472,729	-	37,150,671,657	
Ship CFC 05 (*)	Tien Thanh Co., Ltd.	34,521,077,219	3,452,107,722	37,973,184,941	392,515,909	-	38,365,700,850	
		167,785,663,181	13,157,146,425	180,942,809,606	5,674,953,453	(80,489,695,134)	106,128,067,925	

Details of foreclosed assets as at 31 December 2023 were as follows:

Assets	Mortgaging party	Value determined by parties upon foreclosure		Value added tax (b)	Foreclosure value (c) = (a) + (b)	Finishing expenses (d)	Depreciation charged (e)	Disposal of foreclosed assets (f)	Carrying amount (g) = (c) + (d) + (e) + (f)
		(a)	(b)						
Ship CFC 01	Huong Thinh Land-Route and Ship Transport JSC	51,682,398,851	5,168,239,885	56,850,638,736	3,424,131,515	(37,504,301,520)	-	-	22,770,468,731
Ship CFC 02	Manh Ha Sea Transport Co., Ltd.	45,367,988,183	4,536,798,818	49,904,787,001	921,833,300	(35,578,634,238)	-	-	15,247,986,063
Ship CFC 03	Huong Thuy JSC	25,615,679,855	2,527,730,167	28,143,410,022	20,000,000	(24,322,945,038)	(3,840,464,984)	-	-
Ship CFC 04 (*)	Huong Thuy JSC	36,214,198,928	-	36,214,198,928	936,472,729	-	-	-	37,150,671,657
Ship CFC 05 (*)	Tien Thanh Co., Ltd.	34,521,077,219	3,452,107,722	37,973,184,941	392,515,909	-	-	-	38,365,700,850
		193,401,343,036	15,684,876,592	209,086,219,628	5,694,953,453	(97,405,880,796)	(3,840,464,984)	-	113,534,827,301

(*) Ships CFC 04 and CFC 05 are in the finishing process and have not been put into operation.

- (ii) Movements of expenses awaiting amortisation which are tools and instruments during the year were as follows:

	2024 VND	2023 VND
Opening balance	2,899,036,597	6,827,109,468
Incurred during the year	10,686,806,743	3,022,635,642
Amortisation during the year	(12,538,301,065)	(6,950,708,513)
Closing balance	<u>1,047,542,275</u>	<u>2,899,036,597</u>

- (iii) Movements of expenses awaiting amortisation which are repair and renovation expenses for leased office during the year were as follows:

	2024 VND	2023 VND
Opening balance	5,785,675,976	6,951,810,454
Incurred during the year	3,331,903,039	5,180,684,522
Amortisation during the year	(2,821,798,825)	(6,346,819,000)
Closing balance	<u>6,295,780,190</u>	<u>5,785,675,976</u>

- (iv) Movements of expenses awaiting amortisation being consumer lending expenses during the year were as follows:

	2024 VND	2023 VND
Opening balance	276,610,809,585	360,989,553,934
Incurred during the year	78,697,471,743	148,009,641,818
Amortisation during the year	(192,077,023,220)	(232,388,386,167)
Closing balance	<u>163,231,258,108</u>	<u>276,610,809,585</u>



(d) Allowances for on-balance sheet assets

	31/12/2024 VND	31/12/2023 VND
Allowance for advance payment for completion of CFC05 ship	14,219,739,430	-
Allowance for receivables on company guarantee fees	137,941,654	137,941,654
Allowance for fee receivables from Med-Aid Cong Minh Joint Stock Company	150,000,000	150,000,000
Other allowances	1,001,244,374	755,642,615
	15,508,925,458	1,043,584,269

Movements of allowance for other on-balance sheet assets during the year were as follows:

	2024 VND	2023 VND
Opening balance	1,043,584,269	3,030,701,385
Allowance made/(reversed) during the year (Note 25(i))	14,465,341,189	(1,987,117,116)
Closing balance	15,508,925,458	1,043,584,269

14. Deposits and borrowings from other credit institutions

	31/12/2024 VND	31/12/2023 VND
Term deposits from other CIs in VND	3,062,000,000,000	1,600,000,000,000
Borrowings from other CIs in VND	743,000,000,000	870,000,000,000
	3,805,000,000,000	2,470,000,000,000

Annual interest rates of deposits and borrowings from other CIs at the year-end were as follows:

	31/12/2024	31/12/2023
Term deposits from other CIs in VND	3.40% - 8.90%	0.60% - 6.90%
Borrowings from other CIs in VND	5.40% - 6.70%	6.00% - 12.40%

15. Deposits from customers

	31/12/2024 VND	31/12/2023 VND
Term deposits		
Term deposits in VND	910,752,633,499	472,087,290,541

Deposits from customers by types of customers were as follows:

	31/12/2024 VND	31/12/2023 VND
Deposits from VAMC (*)	123,341,033,499	88,032,178,855
Deposits from other economic entities in VND	787,111,600,000	383,755,111,686
Marginal deposits in VND	300,000,000	300,000,000
	910,752,633,499	472,087,290,541

- (*) This is a debt recovery amount from the debt previously sold to VAMC. The Company recognised it in accordance with the guidelines of Official Letter No. 8499/NHNN-TCKT dated 14 November 2013, issued by the State Bank of Vietnam. Accordingly, the recovered amount is recorded in the cash account and the escrow account of VAMC. This amount will be transferred back to the Company no later than the date on which the Company repurchases the debts previously sold to VAMC.

Annual interest rates at the year-end were as follows:

	31/12/2024	31/12/2023
Term deposits in VND	4.30% - 13.00%	4.75% - 13.00%

16. Valuable papers issued

	31/12/2024 VND	31/12/2023 VND
Certificates of deposits in VND	2,301,100,000,000	2,814,500,000,000

Annual interest rates of certificates of deposits at the year-end were as follows:

	31/12/2024	31/12/2023
Certificates of deposits in VND	6.50% - 10.90%	4.75% - 14.00%

17. Other liabilities

	31/12/2024	31/12/2023
	VND	VND
Accrued interest and fees payable (a)	128,363,844,711	122,483,150,227
Other liabilities (b)	91,699,516,908	98,365,356,724
	<u>220,063,361,619</u>	<u>220,848,506,951</u>
(a) Accrued interest and fees payable		
	31/12/2024	31/12/2023
	VND	VND
Accrued interest payable for deposits	13,941,293,840	5,477,575,289
Accrued interest payable for valuable papers	108,922,250,870	101,712,627,003
Accrued interest payable for borrowings from other CIs	5,500,300,001	15,292,947,935
	<u>128,363,844,711</u>	<u>122,483,150,227</u>

(b) Other liabilities

	31/12/2024 VND	31/12/2023 VND
Internal payables	7,697,439,511	10,648,085,765
In which:		
<i>Payables to employees</i>	32,842,805	2,742,645,929
<i>Bonus and welfare fund, science and technology development fund</i>	7,664,390,128	7,905,233,258
<i>Other payables</i>	206,578	206,578
External payables	84,002,077,397	87,717,270,959
In which:		
<i>Receipts of contributed capital for business co-operation (i)</i>	12,703,957,485	12,703,957,485
<i>Payables to counterparties related to consumer lending</i>	3,633,419,492	23,415,098,811
<i>Payables to counterparties related to related buy now, pay later lending</i>	3,138,860,673	14,834,072,749
<i>Prepayments from customers</i>	24,306,623,896	-
<i>Payables for data storage services</i>	6,736,795,313	6,935,762,179
<i>Taxes payable (Note 32)</i>	494,163,237	2,356,433,276
<i>Payable for credit information retrieval services</i>	1,053,679,769	2,133,623,158
<i>Payables to suppliers on finishing fees for Ship CFC 05</i>	2,726,747,936	2,726,747,936
<i>Dividends payable from 2008 to 2014</i>	978,323,000	1,815,683,000
<i>Payables for insurance fees</i>	-	3,091,397,500
<i>Receipt of deposits for bareboat charter - Ships CFC 01, 02, 03</i>	775,000,000	675,000,000
<i>Payables on social insurance, health insurance, unemployment insurance and trade union fees</i>	572,886,351	309,082,521
<i>Revenue from guarantee fees awaiting amortisation</i>	12,369,229	12,369,229
<i>Others payables</i>	26,869,251,016	16,708,043,115
	91,699,516,908	98,365,356,724

- (i) This represents the remaining business co-operation capital of the partners, namely Manh Ha Sea Transport Co., Ltd, Huong Thinh Land-Route and Ship Transport JSC and Tien Thanh Co., Ltd, (details of these business cooperation assets are presented in Note 13 (c)(i)) which are recognised in accordance with Business Cooperation Contracts between the Company and these partners before 2018.

18. Capital and reserves

Changes in capital and reserves for the year ended 31 December 2024 and 31 December 2023 were as follows:

	Charter capital VND	Share Premium VND	Investment and development fund VND	Financial reserve VND	Reserve to supplement charter capital VND	(Accumulated losses)/ Retained earnings VND	Total VND
Balance as at 1 January 2023	701,372,140,000	-	1,680,744,633	38,045,595,860	4,277,294,610	112,931,294,384	858,307,069,487
Net profit for the year	-	-	-	-	-	16,629,543,070	16,629,543,070
Appropriation to reserves for 2022 in accordance to Resolution of General Meeting of Shareholders 2023	-	-	-	6,337,386,777	3,168,693,388	(9,506,080,165)	-
Appropriation to bonus and welfare fund for employees and bonus fund for CI management personnel, Board of Management, Supervisors in 2022	-	-	-	-	-	(3,500,000,000)	(3,500,000,000)
Transfer from science and technology development fund to retained earnings	-	-	-	-	-	800,000,000	800,000,000
Balance as at 31 December 2023	701,372,140,000	-	1,680,744,633	44,382,982,637	7,445,987,998	117,354,757,289	872,236,612,557
Net loss for the year	-	-	-	-	-	(155,667,890,589)	(155,667,890,589)
Appropriation to reserves for 2023 in accordance to Resolution of General Meeting of Shareholders 2024	-	-	-	1,662,954,307	831,477,154	(2,494,431,461)	-
Increase in charter capital from the issuance of shares to existing shareholders in 2024	210,411,170,000	(291,760,000)	-	-	-	-	210,119,410,000
Appropriation to bonus and welfare fund for employees in 2023	-	-	-	-	-	(500,000,000)	(500,000,000)
Balance as at 31 December 2024	911,783,310,000	(291,760,000)	1,680,744,633	46,045,936,944	8,277,465,152	(41,307,564,761)	926,188,131,968

Details of charter capital of the Company were as follows:

	31/12/2024		31/12/2023	
	Number of shares	VND	Number of shares	VND
Charter capital	91,178,331	911,783,310,000	70,137,214	701,372,140,000

Details of shares of the Company were as follows:

	31/12/2024	31/12/2023
Shares registered for issuance	91,178,331	70,137,214
Shares sold to the public		
- Ordinary shares	91,178,331	70,137,214
Shares in circulation		
- Ordinary shares	91,178,331	70,137,214
Par value of shares in circulation (VND)	10,000	10,000

Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

19. Interest income and similar income

	2024 VND	2023 VND
Interest income from deposits	19,325,271,812	4,443,748,036
Interest income from loans to customers	979,714,984,905	1,241,633,738,070
Interest income from trading, investments in securities	18,490,453,137	35,094,630,138
Fees from guarantee and other income	93,031	16,346,381
Fees from credit card issuance	52,117,974,342	54,768,479,207
	1,069,648,777,227	1,335,956,941,832

20. Interest expenses and similar expenses

	2024 VND	2023 VND
Interest expenses from deposits	50,039,743,313	82,209,087,654
Interest expenses from loans	36,892,984,931	47,887,561,648
Interest expenses from valuable paper issued	229,539,830,171	289,996,508,741
Others	-	17,510,000
	316,472,558,415	420,110,668,043

21. Net fee and commission (expense)/income

	2024 VND	2023 VND
Fee and commission income		
Insurance business and services	2,918,462,608	6,317,325,730
Others	44,221,471,438	73,827,326,371
	47,139,934,046	80,144,652,101
Fee and commission expenses		
Settlement and agency services	(12,264,251,203)	(8,475,487,569)
Consulting services	(1,759,173,664)	(3,726,873,600)
Brokerage commission	(1,666,912,826)	(4,153,285,071)
Other services	(43,599,724,561)	(16,344,269,049)
	(59,290,062,254)	(32,699,915,289)
Net fee and commission (expense)/income	(12,150,128,208)	47,444,736,812

22. Net gain from trading of foreign currencies

	2024 VND	2023 VND
Gain from trading of foreign currencies		
Gain from spot foreign exchange	26,050,512	48,596,453
	26,050,512	48,596,453
Loss from trading of foreign currencies		
Loss from spot foreign exchange	(18,695,744)	(46,029,848)
	(18,695,744)	(46,029,848)
Net gain from trading of foreign currencies	7,354,768	2,566,605

23. Net loss from investment securities

	2024 VND	2023 VND
Gains from investment securities	-	(342)
Expenses related to the purchase and sale of investment securities	87,950,408	-
Allowance made for investment securities (Note 9(i))	31,858,500,000	8,040,000,000
Net loss from investment securities	31,946,450,408	8,039,999,658

24. Net gain from other activities

	2024 VND	2023 VND
Income from other activities		
Income from sale of debts	298,555,201,743	399,996,514,363
Gains from debts written off	25,255,666,004	54,825,543,714
Gains from disposals of assets	710,785,396	11,883,333
Income from ship for co-operation in ship debt collection	1,685,185,189	5,835,093,938
Other income	43,572,876,140	76,297,930,867
	369,779,714,472	536,966,966,215
Expenses for other activities		
Expenses for co-operation in ship debt collection	(8,198,424,907)	(9,633,299,216)
In which:		
<i>Depreciation expenses (Note 13(c))</i>	(7,406,759,376)	(8,473,555,211)
Other expenses	(51,947,643,071)	(53,964,925,984)
	(60,146,067,978)	(63,598,225,200)
Net gain from other activities	309,633,646,494	473,368,741,015

25. Operating expenses

	2024 VND	2023 VND
Staff costs	309,092,302,811	393,810,967,486
In which:		
<i>Salary, wages and allowances</i>	275,985,610,665	346,906,439,303
<i>Salary based expenses</i>	31,689,735,079	42,084,425,247
<i>Other staff expenses</i>	1,416,957,067	4,820,102,936
Depreciation charges	18,207,267,824	18,362,222,497
Other expenses (i)	139,526,776,806	165,871,365,083
	466,826,347,441	578,044,555,066

(i) Other expenses comprise:

	2024 VND	2023 VND
Tax, duties and fees	11,481,908,243	14,565,514,093
Asset repair and maintenance costs	433,891,094	471,162,883
Expenses for the purchase of tools and supplies	22,294,960,153	34,941,647,195
Expenses on assets insurance	158,264,454	163,906,212
Expenses on office rental	30,936,768,532	36,047,296,897
Office supplies, petrol and oil	1,023,977,103	863,699,350
Post and telecommunication charges	32,421,846,764	38,656,780,772
Entertainment, refreshment	2,689,451,525	7,313,318,561
Per diem	3,392,743,118	6,059,147,946
Publication, marketing and promotion expenses	9,143,492,496	13,489,969,314
Training/coaching expenses	25,535,200	494,022,243
Allowance (reversed)/made for long-term investments (Note 10)	(2,735,792,520)	239,981,800
Allowance made/(reversed) for other on-balance sheet assets (Note 13(d))	14,465,341,189	(1,930,702,895)
Other expenses	13,794,389,455	14,495,620,712
	139,526,776,806	165,871,365,083

26. Allowance expenses for credit losses

	Note	2024 VND	2023 VND
General allowance made for loans to customers	8	12,743,959,547	1,924,527,010
Specific allowance made for loans to customers	8	693,024,918,642	825,149,783,795
Allowance made for special bonds issued by VAMC	9(ii)	2,600,000,000	1,600,000,000
		708,368,878,189	828,674,310,805

27. Income tax

(a) Recognised in the statement of income

	2024 VND	2023 VND
Current tax expense		
Current year	-	5,428,670,234

(b) Reconciliation of effective tax rate

	2024 VND	2023 VND
Accounting (loss)/profit before tax	(155,667,890,589)	22,058,213,304
Tax at the Company's tax rate	(31,133,578,118)	4,411,642,661
Non-deductible expenses	295,802,198	585,410,382
Adjustment of prior years' income tax according to the Tax Inspection Minutes	-	431,617,191
Unrecognised deferred tax assets for tax losses	30,837,775,920	-
	-	5,428,670,234

(c) Unrecognised tax assets

Tax assets have not been recognised in respect of the following items:

	31/12/2024		31/12/2023	
	Temporary difference VND	Tax value VND	Temporary difference VND	Tax value VND
Tax losses	154,188,879,597	30,837,775,920	-	-

The tax losses expire in the following years:

Year of expiry	Status of tax review	Tax losses available VND
2029	Outstanding	154,188,879,597

According to current tax regulations, deductible temporary differences do not expire. Deferred tax assets have not been recognised in respect of these items because it is not probable that future taxable profit will be available against which the Company can utilise the benefits therefrom.

28. Applicable tax rate

The Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits. The income tax computation is subject to review and approval by tax authorities.

29. Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2024 was based on the profit attributable to ordinary shareholders of VND155,667,890,589 (2023 after adjustment: net profit attributable to ordinary shareholders is VND16,129,543,070) and the weighted average number of ordinary shares is 77,925,728 shares (2023 after restated: 71,356,989 shares), as calculated below:

(a) Net (loss)/profit attributable to ordinary shareholders

	2024 VND	2023 VND (restated)	2023 VND (as previously reported)
Net (loss)/profit during the year	(155,667,890,589)	16,629,543,070	16,629,543,070
Appropriation to bonus and welfare fund (Note 18) (*)	-	(500,000,000)	(3,500,000,000)
Net (loss)/profit attributable to ordinary shareholders	(155,667,890,589)	16,129,543,070	13,129,543,070

(*) As at 31 December 2024, the Company has not yet estimated the provision for the bonus and welfare fund for 2024, as there is no resolution from the General Meeting of Shareholders regarding the fund allocation.

(b) Weighted average number of ordinary shares

	2024 VND	2023 VND (restated)	2023 VND (as previously reported)
Issued ordinary shares at the beginning of the year	70,137,214	70,137,214	70,137,214
Effect of shares issued during the year	7,788,514	1,219,775	-
Weighted average number of ordinary shares during the year	77,925,728	71,356,989	70,137,214

(c) Basic earnings per share

	2024 VND	2023 VND (restated)	2023 VND (as previously reported)
Basic earnings per share	(1,998)	226	187

As at 31 December 2024 and for the year then ended, the Company had no potentially dilutive ordinary shares; therefore, diluted earnings per share are not presented.

(d) Restatement of weighted average number of shares and basic earnings per share for the year ended 31 December 2023

In 2024, the Company issued 21,041,117 shares to existing shareholders under the Additional Public Offering Registration Certificate No. 105/GCN-UBCK dated 18 June 2024. The ex-rights trading date was 2 July 2024, and the subscription period was from 10 July 2024 to 16 August 2024. The issuance price was VND10,000 per share, which was lower than the market price of the outstanding shares. As a result, this issuance is considered to have a bonus element. Therefore, the weighted average number of ordinary shares for 2023 used in the calculation of basic earnings per share for the year ended 31 December 2023 has been restated accordingly.

The basic earnings per share for the year ended 31 December 2023 has been restated as follows:

	Weighted average number of ordinary shares	Basic earnings per share VND
As previously reported	70,137,214	187
Effect of changes in net profit attributable to ordinary shareholders	-	43
Effect of shares publicly offered to existing shareholders in 2024	1,219,775	(4)
	71,356,989	226

30. Cash and cash equivalents

	31/12/2024 VND	31/12/2023 VND
Balances with the SBV (Note 5)	201,332,355	78,445,656
Demand deposits with other CIs (Note 6)	203,055,255,754	241,243,634,689
Deposits with other CIs with original term not exceeding 3 months (Note 6)	1,260,000,000,000	1,350,000,000,000
	1,463,256,588,109	1,591,322,080,345

31. Employee benefits

	2024 VND	2023 VND
Total number of employees as at 31 December (person)	181	1,327
Average number of employees during the year (person)	646	1,359
Employees' income during the year (VND)	275,985,610,665	346,906,439,303
Average income/person/month (VND)	35,601,859	21,272,163

32. Obligations to the State Treasury

Year ended 31 December 2024

	1/1/2024	Incurred	Paid/ deducted	31/12/2024
	VND	VND	VND	VND
Value added tax	729,488,203	407,836,453	(2,802,455,000)	(1,665,130,344)
Corporate income tax	(3,460,061,862)	-	-	(3,460,061,862)
Other taxes	1,626,945,073	9,097,724,081	(10,230,505,917)	494,163,237
	(1,103,628,586)	9,505,560,534	(13,032,960,917)	(4,631,028,969)
<i>In which:</i>				
Tax receivables	(3,460,061,862)			(5,125,192,206)
Tax payables	2,356,433,276			494,163,237

Year ended 31 December 2023

	1/1/2023	Incurred	Paid/ deducted	31/12/2023
	VND	VND	VND	VND
Value added tax	(1,081,118,312)	5,081,901,401	(3,271,294,886)	729,488,203
Corporate income tax	(5,128,577,157)	5,428,670,234	(3,760,154,939)	(3,460,061,862)
Other taxes	2,015,504,762	21,183,107,318	(21,571,667,007)	1,626,945,073
	(4,194,190,707)	31,693,678,953	(28,603,116,832)	(1,103,628,586)
<i>In which:</i>				
Tax receivables	(6,209,695,469)			(3,460,061,862)
Tax payables	2,015,504,762			2,356,433,276

33. Other off-balance sheet items

(a) Non-cancellable loan commitments

	31/12/2024 VND	31/12/2023 VND
Irrevocable loan commitments	3,829,110,967,715	3,935,948,164,150

(b) Uncollected loan interest and fees

	31/12/2024 VND	31/12/2023 VND (Restated)
Loan interest not yet collected	254,248,886,720	473,366,423,733
Securities interest not yet collected	35,787,802,170	35,787,802,192
Fee receivables not yet collected	17,715,672,508	25,184,863,340
	307,752,361,398	534,339,089,265

(c) Bad debts written off

	31/12/2024 VND	31/12/2023 VND
Written-off principal of debts under surveillance	364,097,275,851	213,423,272,427
Written-off interest of debts under surveillance	345,697,508,702	234,923,962,501
	709,794,784,553	448,347,234,928

(d) Other assets and documents in custody

	31/12/2024 VND	31/12/2023 VND (Restated)
Other assets kept under custody	-	17,539,876,983
Other valuable documents in custody	169,200,000,000	169,200,000,000
Lease (*)	(*)	(*)
	169,200,000,000	186,739,876,983

(*) The Company was unable to determine the value of the leased assets.

34. Significant transactions and balances with related parties

Significant balances with related parties at the year-end were as follows:

Related parties	Transactions	31/12/2024	31/12/2023
		Assets/ (liabilities) VND	Assets/ (liabilities) VND
Major shareholder			
Vietnam Cement Industry Corporation	Receipt of deposits	-	(126,830,282,462)
	Payables for interest income from deposits	-	(2,142,562,429)
Thong Nhat Flat Steel Joint Stock Company	Investment	12,359,062,700	12,359,062,700
MED-AID Cong Minh Incorporation	Investment	2,150,000,000	2,150,000,000
	Receivables on fund arrangement fees	150,000,000	150,000,000
Hai Phong Cement Transport and Trading Joint Stock Company	Receivables from ship operation	152,931,001	152,931,001

Significant transactions for the year with related parties were as follows:

Related parties	Transactions	Transactions	
		2024 VND	2023 VND
Board of Directors	Remuneration and bonus		
	Mr. Nguyen Duc Phuong	(1,495,000,000)	(2,165,581,081)
	Mr. Nguyen Duc Huynh	(120,000,000)	(200,000,000)
	Mr. Nguyen Lan Trung Anh	(439,500,000)	(917,000,000)
	Mr. Luu Cong Toai	(40,000,000)	(70,000,000)
	Mr. Nguyen Chi Hieu (until 24 April 2023)	-	(113,500,000)
	Mr. Pham Hai Au (until 24 April 2023)	-	(1,469,384,170)
Board of Management	Salary of Chief Executive Officer	(2,299,000,000)	(2,949,000,000)
	Salary of other key management personnel	(7,087,200,047)	(12,436,297,657)
Supervisory Board Vietnam Cement Industry Corporation VICEM Cement Trading Joint Stock Company	Remuneration	(2,109,557,142)	(1,634,200,772)
	Interest expenses on deposits and borrowings	(5,553,266,626)	(12,698,744,468)
	Interest expenses for valuable papers issued	-	(327,739,727)
	Interest expense on deposits and borrowings	-	(144,951,546)

35. Concentration of assets, liabilities and off-balance sheet commitments by geographical segments

As at 31 December 2024

	Total outstanding loan to customers - gross VND	Deposits and loans to the SBV and other CIs - gross VND	Deposits and borrowings from other CIs and customers VND	Trading and investment in securities - gross VND	Valuable papers issued VND	Commitments and guarantees VND
Domestic	6,299,656,453,538	1,463,256,588,109	4,715,752,633,499	259,200,000,000	2,301,100,000,000	3,829,110,967,715

As at 31 December 2023

	Total outstanding loan to customers - gross VND	Deposits and loans to the SBV and other CIs - gross VND	Deposits and borrowings from other CIs and customers VND	Trading and investment in securities - gross VND	Valuable papers issued VND	Commitments and guarantees VND
Domestic	4,621,314,961,406	1,591,322,080,345	2,942,087,290,541	482,200,000,000	2,814,500,000,000	3,935,948,164,150

36. Credit risk

Credit risk is the possibility of losses in the operation of credit institutions when their clients do not or cannot fulfil their obligations as committed. The Company has established a credit quality review process to provide early identification of changes in financial position, repayment capacity of counterparties based on qualitative and quantitative factors. Counterparty limits are established using a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision.

The maximum risk rating is exclusive of collaterals or credit risk mitigation measures.

The table below presents the worst case with the maximum level of loss of the Company, exclusive of collaterals held or credit risk mitigation measures.

The assets that are neither past due nor requiring allowance include Group 1 debts in accordance with Circular 31; securities receivables and other assets that are not past due and require no allowance. The Company assesses that it is able to fully and promptly recover these financial assets in the future.

The assets that are overdue but not requiring allowance is due to the fact that the Company is holding sufficient collaterals to compensate potential credit losses in accordance with relevant regulations of the State Bank of Vietnam.

The Company is currently holding collaterals in the form of real estate, movable assets, valuable papers and others for the above financial assets. The Company has not been able to determine the fair value of such assets due to the lack of specific guidance and necessary market information.

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The maximum risk exposure for each group of assets which is equal to the carrying value (excluding allowance) of that group of assets in the statement of financial position is presented as follows:

	As at 31 December 2024			As at 31 December 2023		
	Neither past due nor allowance required VND	Past due but no allowance required VND	Allowance made VND	Neither past due nor allowance required VND	Past due but no allowance required VND	Allowance made VND
Balances with the SBV	201,332,355	-	-	78,445,656	-	-
Deposits with and loans to other CIs	1,463,055,255,754	-	-	1,591,243,634,689	-	-
Loans to customers	5,647,564,025,257	10,325,308,916	641,767,119,365	3,393,352,913,416	672,255,000	1,227,289,792,990
Available-for-sale investment securities	90,000,000,000	-	-	300,000,000,000	-	-
Held-to-maturity investment securities	129,000,000,000	-	40,200,000,000	142,000,000,000	-	40,200,000,000
Other financial assets	142,415,642,256	-	16,009,328,096	131,827,489,209	-	1,789,588,666
	7,472,236,255,622	10,325,308,916	697,976,447,461	5,558,502,482,970	672,255,000	1,269,279,381,656
			8,180,538,011,999			6,828,454,119,626
			201,332,355			78,445,656
			1,463,055,255,754			1,591,243,634,689
			6,299,656,453,538			4,621,314,961,406
			90,000,000,000			300,000,000,000
			169,200,000,000			182,200,000,000
			158,424,970,352			133,617,077,875

Details for collaterals held by the Company at the end of the year were as follows:

	31/12/2024 VND	31/12/2023 VND
Real estates	353,480,844,783	44,549,202,005
Machines and equipment	108,570,087,150	110,832,618,467
Means of transportation	7,965,528,000	26,747,693,621
Shares issued by economic entities	815,811,813,800	294,726,900,000
Shares issued by other credit institutions	676,755,673,400	-
Valuable papers	1,954,221,161,705	-
Others	5,682,846,000	5,682,846,000
	<u>3,922,487,954,838</u>	<u>482,539,260,093</u>

37. Liquidity risk

Liquidity risk is the risk where the Company has difficulty in meeting its payment obligations. Liquidity risk occurs when the Company might be unable to meet its payment obligations when they fall due under both normal and stress circumstances. To limit this risk, the Company has arranged for diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has also assessed the expected cash flows and the availability of current collaterals if additional funding is required.

The maturity term of assets and liabilities represents the remaining period from the reporting date to the maturity date agreed in the contracts or in the terms and conditions of issuance.

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

- Balance with the State Bank of Vietnam is classified as current deposits including the required reserve, which is determined upon the composition and maturity of the Company's customer deposits.
- The maturity term of investment securities and Securities held for trading is based on the maturity date of each type of securities.
- The maturity term of deposits with and loans to other CIs and loans to customers is based on the contractual maturity date. The actual settlement date sometimes varies contractual maturity date when the contract is extended.
- The maturity term of other long-term investments is considered to be more than one year as these investments have indefinite maturity.
- The maturity terms of deposits and borrowings from other CIs and deposits from customers are determined based on the nature of these amounts or their contractual maturity dates. Transactions on demand deposit accounts from other CIs and customers are made upon customer's request and therefore are classified as current. The maturity terms of loans and term deposits are determined based on their contractual maturity dates. In reality, these may be revolved and therefore maintained for a longer period than their initial maturity term.

The maturity terms of fixed assets are determined based on their remaining useful life.



VietCredit Finance Joint Stock Company
 17th Floor, MIPEC Tower
 No. 229 Tay Son, Dong Da District, Hanoi
 Notes to the financial statements for the year ended 31 December 2024 (continued)

Form B05/TC/TD
 (Issued under Circular No. 49/2014/TT-NHNN
 dated 31 December 2014
 of the State Bank of Vietnam)

	Overdue		Not past due				Total VND
	Overdue more than 3 months VND	Overdue less than 3 months VND	Up to 1 month VND	From above 1 to 3 months VND	From above 3 to 12 months VND	From above 1 to 5 years VND	
As at 31 December 2024							
Assets							
Balances with the SBV	-	-	201,332,355	-	-	-	201,332,355
Deposits with and loans to other CIs – gross	-	-	1,063,055,255,754	400,000,000,000	-	-	1,463,055,255,754
Loans to customers – gross	398,709,034,816	209,957,229,423	1,707,575,164,748	719,736,887,766	1,231,081,194,563	1,830,210,078,241	6,299,656,453,538
Investment securities – gross	40,200,000,000	-	-	-	-	129,000,000,000	259,200,000,000
Long-term investments – gross	-	-	-	-	-	14,509,062,700	14,509,062,700
Fixed assets – net	-	-	2,647,609	12,241,932	5,952,871,959	13,998,279,111	23,450,444,429
Other assets - gross	16,009,328,096	-	45,503,133,538	79,095,949,771	22,980,228,597	286,884,081,590	450,472,721,592
Total assets (1)	454,918,362,912	209,957,229,423	2,816,337,534,004	1,198,845,079,469	1,260,014,295,119	2,260,092,438,942	8,510,545,270,368
Liabilities							
Deposits and borrowings from other CIs	-	-	2,972,000,000,000	833,000,000,000	-	-	3,805,000,000,000
Deposits from customers	-	-	76,300,000,000	88,711,600,000	570,100,000,000	175,641,033,499	910,752,633,499
Valuable papers issued	-	-	170,000,000,000	720,400,000,000	1,409,700,000,000	1,000,000,000	2,301,100,000,000
Other liabilities	-	-	43,110,591,506	19,491,194,683	140,293,799,925	16,240,332,505	220,063,361,619
Total liabilities (2)	-	-	3,261,410,591,506	1,661,602,794,683	2,120,093,799,925	192,881,366,004	7,236,915,995,118
Net liquidity gap (3) = (1) – (2)	454,918,362,912	209,957,229,423	(445,073,057,502)	(462,757,715,214)	(860,079,504,806)	2,067,211,072,938	1,273,629,275,250

	Overdue		Not past due				Total VND
	Overdue more than 3 months VND	Overdue less than 3 months VND	Up to 1 month VND	From above 1 to 3 months VND	From above 3 to 12 months VND	From above 1 to 5 years VND	
As at 31 December 2023							
Assets							
Balances with the SBV	-	-	78,445,656	-	-	-	78,445,656
Deposits with and loans to other CIs – gross	-	-	1,591,243,634,689	-	-	-	1,591,243,634,689
Loans to customers – gross	853,393,338,940	374,568,709,050	950,000,000,000	465,011,808,204	4,841,595,050	1,959,173,578,905	4,621,314,961,406
Investment securities – gross	40,200,000,000	-	-	-	13,000,000,000	129,000,000,000	482,200,000,000
Long-term investments – gross	-	-	-	-	-	-	14,509,062,700
Fixed assets – net	-	-	2,953,124	-	889,104,878	34,792,918,123	42,130,570,494
Other assets - gross	1,789,588,666	-	25,270,025,230	73,756,785,108	25,813,335,819	443,993,925,966	570,623,660,789
Total assets (1)	895,382,927,606	374,568,709,050	2,566,595,058,699	538,768,593,312	44,544,035,747	2,566,960,422,994	7,322,100,335,734
Liabilities							
Deposits and borrowings from other CIs	-	-	1,400,000,000,000	600,000,000,000	370,000,000,000	100,000,000,000	2,470,000,000,000
Deposits from customers	-	-	235,858,518,816	12,918,507,306	121,978,085,564	101,332,178,855	472,087,290,541
Valuable papers issued	-	-	260,300,000,000	727,800,000,000	1,724,400,000,000	102,000,000,000	2,814,500,000,000
Other liabilities	-	-	49,072,846,066	24,734,413,769	129,716,019,751	15,502,644,365	220,848,506,951
Total liabilities (2)	-	-	1,945,231,364,882	1,365,452,921,075	2,346,094,105,315	318,834,823,220	5,977,435,797,492
Net liquidity gap (3) = (1) – (2)	895,382,927,606	374,568,709,050	621,363,693,817	(826,684,327,763)	(2,301,550,069,568)	2,248,125,599,774	1,344,664,538,242

38. Market risks

(a) Interest rate risk

Analysis of assets and liabilities by interest rate repricing period

The repricing period of interest rate is the remaining period from the reporting date to the nearest repricing date of interest rate applicable to assets and resources.

The following assumptions and conditions have been adopted in analysis of interest rate repricing period of the Company's assets and liabilities:

- Cash on hand, gold, silver and gemstones; long-term equity investments and other assets (including fixed assets, investment property and other assets) which are classified as non-interest bearing items;
- Balances with the SBV are classified as current and accordingly, the interest rate repricing period is classified as up to one month;
- The effective interest rate repricing period of deposits with and loans to other CIs; loans to customers; amounts due to the Government and SBV; Deposits and borrowings from other CIs; and deposits from customers is determined as follows:
 - ✓ Items with fixed interest rate during the contractual term: The interest rate repricing period is based on the actual maturity date subsequent to the reporting date;
 - ✓ Items with floating interest rate: The interest rate repricing period is based on the latest repricing period subsequent to the reporting date.
- The interest rate repricing period of other borrowed and entrusted funds is designated as less than one month; and
- The interest rate repricing period of other liabilities is designated as 1 to 3 months. In reality, these items may have different interest rate repricing periods.

VietCredit Finance Joint Stock Company
 17th Floor, MIPEC Tower
 No. 229 Tay Son, Dong Da District, Hanoi
 Notes to the financial statements for the year ended 31 December 2024 (continued)

Form B05/TCCTD
 (Issued under Circular No. 49/2014-TT-NHNN
 dated 31 December 2014
 of the State Bank of Vietnam)

As at 31 December 2024

	Overdue VND	Free of interest VND	Up to 1 month VND	Interest rate adjustment period					Total VND
				From above 1 to 3 months VND	From above 3 to 6 months VND	From above 6 to 12 months VND	From above 1 to 5 years VND	Over 5 years VND	
Assets									
Balances with the SBV	-	-	201,332,355	-	-	-	-	-	201,332,355
Deposits with and loans to other CJs – gross	-	-	1,463,055,255,754	-	-	-	-	-	1,463,055,255,754
Loans to customers – gross	608,666,264,239	-	1,707,575,164,748	719,736,887,766	1,231,081,194,563	-	1,830,210,078,241	202,386,863,981	6,299,656,453,538
Investment securities – gross	40,200,000,000	129,000,000,000	-	-	90,000,000,000	-	-	-	259,200,000,000
Long-term investments – gross	-	14,509,062,700	-	-	-	-	-	-	14,509,062,700
Fixed assets – net	-	23,450,444,429	-	-	-	-	-	-	23,450,444,429
Other assets	16,009,328,096	434,463,393,496	-	-	-	-	-	-	450,472,721,592
Total assets (1)	664,875,592,335	601,422,900,625	3,170,831,752,857	719,736,887,766	1,321,081,194,563	-	1,830,210,078,241	202,386,863,981	8,510,545,270,368
Liabilities									
Deposits and borrowings from other CJs	-	-	2,235,000,000,000	1,013,000,000,000	557,000,000,000	-	-	-	3,805,000,000,000
Deposits from customers	-	123,641,033,499	-	95,900,000,000	37,200,000,000	318,011,600,000	336,000,000,000	-	910,752,633,499
Valuable papers issued	-	-	-	-	100,000,000,000	899,400,000,000	1,301,700,000,000	-	2,301,100,000,000
Other liabilities	-	220,063,361,619	-	-	-	-	-	-	220,063,361,619
Total liabilities (2)	-	343,704,395,118	2,235,000,000,000	1,108,900,000,000	694,200,000,000	1,217,411,600,000	1,637,700,000,000	-	7,236,915,995,118
Interest sensitivity gap on balance sheet	664,875,592,335	257,718,505,507	935,831,752,857	(389,163,112,234)	626,881,194,563	(1,217,411,600,000)	192,510,078,241	202,386,863,981	1,273,629,275,250
(3) = (1) – (2)									

As at 31 December 2023

	Overdue VND	Free of interest VND	Interest rate adjustment period						Total VND
			Up to 1 month VND	From above 1 to 3 months VND	From above 3 to 12 months VND	From above 6 to 12 months VND	From above 1 to 5 years VND	Over 5 years VND	
Assets									
Balances with the SBV	-	-	78,445,656	-	-	-	-	-	78,445,656
Deposits with and loans to other CIs - gross	-	-	1,591,243,634,689	-	-	-	-	-	1,591,243,634,689
Loans to customers - gross	1,227,962,047,990	-	950,000,000,000	465,011,808,204	4,841,595,050	-	1,959,173,578,905	14,325,931,257	4,621,314,961,406
Investment securities - gross	40,200,000,000	142,000,000,000	-	-	-	-	-	300,000,000,000	482,200,000,000
Long-term investments - gross	-	14,509,062,700	-	-	-	-	-	-	14,509,062,700
Fixed assets - net	-	42,130,570,494	-	-	-	-	-	-	42,130,570,494
Other assets - gross	1,789,588,666	568,834,072,123	-	-	-	-	-	-	570,623,660,789
Total assets (1)	1,269,951,636,656	767,473,705,317	2,541,322,080,345	465,011,808,204	4,841,595,050	-	1,959,173,578,905	314,325,931,257	7,322,100,335,734
Liabilities									
Deposits and borrowings from other CIs	-	-	1,400,000,000,000	600,000,000,000	370,000,000,000	-	100,000,000,000	-	2,470,000,000,000
Deposits from customers	-	88,332,178,855	235,858,518,816	12,918,507,306	75,213,816,196	46,764,269,368	13,000,000,000	-	472,087,290,541
Valuable papers issued	-	-	260,300,000,000	727,800,000,000	1,313,900,000,000	410,500,000,000	102,000,000,000	-	2,814,500,000,000
Other liabilities	-	220,848,506,951	-	-	-	-	-	-	220,848,506,951
Total liabilities (2)	-	309,180,685,806	1,896,158,518,816	1,340,718,507,306	1,759,113,816,196	457,264,269,368	215,000,000,000	-	5,977,435,797,492
Interest sensitivity gap on balance sheet	1,269,951,636,656	458,293,019,511	645,163,561,529	(875,706,699,102)	(1,754,272,221,146)	(457,264,269,368)	1,744,173,578,905	314,325,931,257	1,344,664,538,242
(3) = (1) - (2)									

Interest rate sensitivity analysis

Due to the inadequacy of the database system and input information, The Company has not conducted any analysis of interest rate sensitivity for the year ended 31 December 2024 and for the year ended 31 December 2023.

(b) Currency risk

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

The Company was incorporated and operates in Vietnam, with VND as its reporting currency. The principal currency for the Company's transactions is VND and partially in USD. During the year, exchange rate between VND and USD fluctuated significantly; however, the Company's loans to customers were primarily in VND. The Company has established a system of limits to manage currency positions. Currency positions are monitored on a daily basis and hedging strategies are used to ensure currency positions are maintained within established limits.

The classification of assets and liabilities by currency translated into VND as at 31 December 2024 and 31 December 2023 is as follows:

As at 31 December 2024 (VND equivalent)	VND	USD	EUR	Total
Assets				
Balances with the SBV	201,332,355	-	-	201,332,355
Deposits with and loans to other CIs	1,460,435,719,120	2,619,536,634	-	1,463,055,255,754
Loans to customers – gross	6,299,656,453,538	-	-	6,299,656,453,538
Investment securities – gross	259,200,000,000	-	-	259,200,000,000
Long-term investments	14,509,062,700	-	-	14,509,062,700
Fixed assets – net	23,450,444,429	-	-	23,450,444,429
Other assets – gross	450,472,721,592	-	-	450,472,721,592
Total assets (1)	8,507,925,733,734	2,619,536,634	-	8,510,545,270,368
Liabilities				
Deposits and borrowings from other CIs	3,805,000,000,000	-	-	3,805,000,000,000
Deposits from customers	910,752,633,499	-	-	910,752,633,499
Valuable papers issued	2,301,100,000,000	-	-	2,301,100,000,000
Other liabilities	220,062,014,483	-	1,347,136	220,063,361,619
Total liabilities (2)	7,236,914,647,982	-	1,347,136	7,236,915,995,118
FX position on balance sheet (3) = (1) - (2)	1,271,011,085,752	2,619,536,634	(1,347,136)	1,273,629,275,250

As at 31 December 2023 (VND equivalent)	VND	USD	EUR	Total
Assets				
Balances with the SBV	78,445,656	-	-	78,445,656
Deposits with and loans to other CIs	1,590,979,846,000	263,788,689	-	1,591,243,634,689
Loans to customers – gross	4,621,314,961,406	-	-	4,621,314,961,406
Investment securities – gross	482,200,000,000	-	-	482,200,000,000
Long-term investments	14,509,062,700	-	-	14,509,062,700
Fixed assets – net	42,130,570,494	-	-	42,130,570,494
Other assets – gross	570,623,660,789	-	-	570,623,660,789
Total assets (1)	7,321,836,547,045	263,788,689	-	7,322,100,335,734
Liabilities				
Deposits and borrowings from other CIs	2,470,000,000,000	-	-	2,470,000,000,000
Deposits from customers	472,087,290,541	-	-	472,087,290,541
Valuable papers issued	2,814,500,000,000	-	-	2,814,500,000,000
Other liabilities	220,847,159,815	-	1,347,136	220,848,506,951
Total liabilities (2)	5,977,434,450,356	-	1,347,136	5,977,435,797,492
FX position on balance sheet (3) = (1) - (2)	1,344,402,096,689	263,788,689	(1,347,136)	1,344,664,538,242

Sensitivity of foreign exchange rate

The table below provides the effects on profit or loss and owner's equity for the year ended 31 December 2024 and 31 December 2023 of the Company (with the assumption that all other variables, interest rates, remain constant) when VND weakened by 5% against USD.

Currency	Effect on profit or loss VND	Effect on owner's equity VND
Year ended 31 December 2024		
USD	130,976,830	104,781,465
Year ended 31 December 2023		
USD	13,189,435	10,551,550

39. Fair value disclosure

Circular No. 210/2009/TT-BTC issued by the Ministry of Finance on 6 November 2009 ("Circular 210") only regulates the presentation and disclosure of financial instruments. Accordingly, the following terms stated in Note 4(bb) are adopted for Note 39 to the financial statements. Assets and liabilities of the Company are recognised in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to Credit Institutions issued by the SBV and the relevant statutory requirements applicable to financial reporting.

Financial assets

Under Circular 210, the Company's financial assets include cash on hand, gold, silver and gemstones, deposits with the SBV and other CIs, held-for-trading securities, loans to other credit institutions, loans to customers, investment securities and derivative instruments. For disclosures in the financial statements, financial assets within the scope of Circular 210 are classified in accordance with accounting policies stated in Note 4(bb)(i).

Financial liabilities

According to Circular 210, the Company's financial liabilities include amounts due to the Government and the SBV, deposits and borrowings from other CIs, deposits from customers, derivatives and other financial liabilities, valuable papers issued, other borrowed and entrusted funds and other financial liabilities. For disclosures in the financial statements, financial liabilities within the scope of Circular 210 are classified in accordance with accounting policies stated in Note 4(bb)(ii).

The following table presents the carrying amounts and fair values of the Company's assets and liabilities at as 31 December 2024 and 31 December 2023:

As at 31 December 2024	Held-to-maturity VND	Loans and receivables VND	Carrying amount Available-for- sale VND	Measured at amortised cost VND	Total carrying amount VND	Fair value VND
Financial assets						
Balances with the SBV	-	201,332,355	-	-	201,332,355	201,332,355
Deposits with and loans to other CIs	-	1,463,055,255,754	-	-	1,463,055,255,754	(*)
Loans to customers – gross	-	6,299,656,453,538	-	-	6,299,656,453,538	(*)
Investment securities – gross	169,200,000,000	-	90,000,000,000	-	259,200,000,000	(*)
Long-term investments	-	-	14,509,062,700	-	14,509,062,700	(*)
Other financial assets	-	158,424,970,352	-	-	158,424,970,352	(*)
	169,200,000,000	7,921,338,011,999	104,509,062,700	-	8,195,047,074,699	
Financial liabilities						
Deposits and borrowings from other CIs	-	-	-	3,805,000,000,000	3,805,000,000,000	(*)
Deposits from customers	-	-	-	910,752,633,499	910,752,633,499	(*)
Valuable papers issued	-	-	-	2,301,100,000,000	2,301,100,000,000	(*)
Other financial liabilities	-	-	-	220,063,361,619	220,063,361,619	(*)
	-	-	-	7,236,915,995,118	7,236,915,995,118	

(*) The Company has not determined fair values of these financial instruments for disclosure in the financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements. The fair values of these financial instruments may differ from their carrying amounts.

As at 31 December 2023

	Held-to-maturity VND	Loans and receivables VND	Carrying amount Available-for- sale VND	Measured at amortised cost VND	Total carrying amount VND	Fair value VND
Financial assets						
Balances with the SBV	-	78,445,656	-	-	78,445,656	78,445,656
Deposits with and loans to other CIs	-	1,591,243,634,689	-	-	1,591,243,634,689	(*)
Loans to customers – gross	-	4,621,314,961,406	-	-	4,621,314,961,406	(*)
Investment securities – gross	182,200,000,000	-	300,000,000,000	-	482,200,000,000	(*)
Long-term investments	-	-	14,509,062,700	-	14,509,062,700	(*)
Other financial assets	-	133,617,077,875	-	-	133,617,077,875	(*)
	182,200,000,000	6,346,254,119,626	314,509,062,700	-	6,842,963,182,326	
Financial liabilities						
Deposits and borrowings from other CIs	-	-	-	2,470,000,000,000	2,470,000,000,000	(*)
Deposits from customers	-	-	-	472,087,290,541	472,087,290,541	(*)
Valuable papers issued	-	-	-	2,814,500,000,000	2,814,500,000,000	(*)
Other financial liabilities	-	-	-	220,848,506,951	220,848,506,951	(*)
	-	-	-	5,977,435,797,492	5,977,435,797,492	

(*) The Company has not determined fair values of these financial instruments for disclosure in the financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements. The fair values of these financial instruments may differ from their carrying amounts.

44. Approval of financial statements

The financial statements were approved by the Company's Board of Management on 25 March 2025.

25 March 2025

Prepared by:



Nguyen Thi Bich Phuong
Accountant

Approved by:



Vo Thi Phuong Thao
Chief Accountant



Ho Minh Tam
Chief Executive Officer

