BAC A BANK

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Bac A Commercial Joint Stock Bank

Form: B02a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2024

	Notes	31 Dec 2024 million dong	31 Dec 2023 million dong
ASSETS			
Cash and cash equivalents on hand	**3**	**566,596**	**616,570**
Balances with the State Bank of Vietnam ("the SBV")	**4**	**798,225**	**887,264**
Placements with and loans to other banks	**5**	**16,023,622**	**15,362,500**
Placements with other banks	5.1	12,454,527	13,602,238
Loans and advances to other banks		3,569,095	1,760,262
Provision for loans to other banks			
Trading securities	**6**	**24,599,926**	**20,992,851**
Trading securities		24,599,926	20,992,851
Provision for trading securities			
Derivatives and other financial assets	**7**	**184,066**	
Loans and advances to customers		**108,228,371**	**98,654,289**
Loans and advances to customers	8	109,552,804	99,853,975
Provision for loans and advances to customers	9	(1,324,433)	(1,199,686)
Investment securities	**10**	**9,380,559**	**10,548,824**
Available-for-sale securities		9,400,555	10,570,319
Held-to-maturity securities			
Provision for investment securities		(19,996)	(21,495)
Long-term investments	**11**	**146,156**	**142,530**
Investments in subsidiary			
Investments in joint venture			
Investments in associate			
Other long-term investments		168,105	162,845
Provision for long-term investments		(21,949)	(20,315)
Fixed assets		**1,058,591**	**1,052,987**
Tangible fixed assets		*171,659*	*176,559*
Cost		518,530	505,197
Accumulated depreciation		(346,871)	(328,638)
Financial leases			
Cost			
Accumulated depreciation			
Intangible fixed assets		*886,932*	*876,428*
Cost		1,012,665	987,113
Accumulated amortization		(125,733)	(110,685)
Investment properties		**3,683**	**3,683**
Cost		3,683	3,683
Accumulated depreciation			
Other assets	**12**	**4,496,898**	**3,981,573**
Receivables	12.1	299,819	292,705
Interest and fee receivables		4,125,759	3,625,739
Deferred tax assets			
Other assets	12.2	71,320	63,129
In which: Goodwill			
Provision for other assets			
TOTAL ASSETS		**165,486,693**	**152,243,071**

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2024

	Notes	31 Dec 2024 million dong	31 Dec 2023 million dong
LIABILITIES			
Borrowings from the Government and the SBV	**13**	**7,504**	**24,116**
Deposits and borrowings from the Government and the SBV		7,504	24,116
Government bonds sold and bought back with the State Treasury			
Deposits and borrowings from other banks	**14**	**11,881,039**	**11,158,753**
Deposits from other banks	14.1	11,776,283	10,790,439
Borrowings from other banks	14.2	104,756	368,314
Customer deposits and other amounts due to customers	**15**	**122,549,687**	**118,476,923**
Derivatives and other financial liabilities	**7**		**97,173**
Fund received, trusted funds and other borrowed funds		**25,652**	**9,807**
Valuable papers issued	**16**	**16,020,800**	**7,062,350**
Other liabilities		**3,219,561**	**4,545,690**
Interest and fee payables		2,456,206	4,121,944
Deferred tax liabilities			
Other payables	17	763,355	423,746
Provision for off-balance sheet commitments			
TOTAL LIABILITIES		**153,704,243**	**141,374,812**
OWNERS' EQUITY			
Capital and Reserves	**19**	**11,782,450**	**10,868,259**
Capital	*19.1*	*9,066,625*	*8,441,555*
Charter capital	19.1	8,959,336	8,334,266
Capital to purchase fixed assets			
Share premium	19.1	107,289	107,289
Treasury shares			
Preference shares			
Others			
Reserves	*19.1*	*1,045,470*	*918,864*
Foreign currency translation reserve			
Asset revaluation reserve			
Retained earnings	*19.1*	*1,670,355*	*1,507,840*
Non-controlling shareholders' interest			
TOTAL OWNERS' EQUITY	**19.1**	**11,782,450**	**10,868,259**
TOTAL LIABILITIES AND OWNERS' EQUITY		**165,486,693**	**152,243,071**

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2024

OFF-STATEMENT OF FINANCIAL POSITION ITEMS

	Notes	31 Dec 2024 million dong	31 Dec 2023 million dong
Credit guarantees	***29***	***1,188,176***	***1,032,429***
Commitment on the foreign exchange transactions	***29***	***96,172,077***	***71,861,468***
Commitment on the purchase of foreign currency		16,809,800	10,336,200
Commitment on the sale of foreign currency		6,759,800	6,858,391
Commitment on the currency swap transactions		72,602,477	54,666,877
Commitments to conduct future transactions			
Irrevocable Loan Commitment	***29***	***1,330,645***	***115,636***
Commitments in L/C operations	***29***		
Other guarantees	***29***	***1,221,016***	***479,721***
Other commitments	***29***		
Uncollected interest and fee receivables	***30***	***692,361***	***562,610***
Bad debts written-off	***31***	***2,488,783***	***2,410,927***
Other assets and documents			
		103,093,058	**76,462,791**

Prepared by	Verified by	Approved by
Doan Thi Trang Lien	Hoang Cuong Dung	
Accountant	Director of Finance	Deputy General Director

Nghe An, Vietnam,...20th...January, 2025

PHÓ TỔNG GIÁM ĐỐC
Lê Ngọc Hồng Nhật

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

Bac A Commercial Joint Stock Bank

Form: B03a/TCTD-HN

INTERIM CONSOLIDATED STATEMENT OF INCOME
for Quarter IV ended 31 December 2024

	Notes	*For the Quarter ended*		*For the Period ended*	
		31 Dec 2024 million dong	*31 Dec 2023 million dong*	*31 Dec 2024 million dong*	*31 Dec 2023 million dong*
Interest and similar income	20	3,015,042	3,624,713	11,812,113	13,384,284
Interest and similar expenses	21	(2,175,981)	(2,880,825)	(8,490,903)	(10,995,013)
Net interest and similar income		**839,061**	**743,888**	**3,321,210**	**2,389,271**
Fee and commission income	22	38,689	39,014	150,014	137,774
Fee and commission expenses	22	(12,927)	(10,514)	(44,433)	(32,922)
Net fee and commission income	22	**25,762**	**28,500**	**105,581**	**104,852**
Net gain/(loss) from foreign currency trading	23	**12,874**	**22,730**	**(68,252)**	**115,346**
Net gain/(loss) from trading securities	24				
Net gain/(loss) from investment securities	24	**197,600**	**254,637**	**283,676**	**319,652**
Other operating income		7,858	76,201	27,292	99,206
Other operating expenses		(17,128)	(154)	(21,182)	(9,653)
Net gain/(loss) from other operating activities	25	**(9,270)**	**76,047**	**6,110**	**89,553**
Dividend income	26	**12,638**	**10,865**	**12,638**	**27,639**
TOTAL OPERATING INCOME		**1,078,665**	**1,136,667**	**3,660,963**	**3,046,313**
Employee expenses	27	(376,850)	(324,471)	(1,403,176)	(1,099,871)
Depreciation and amortization charges	27	(13,042)	(12,834)	(50,998)	(46,447)
Other operating expenses	27	(253,155)	(189,155)	(795,098)	(686,593)
TOTAL OPERATING EXPENSES		**(643,047)**	**(526,460)**	**(2,249,272)**	**(1,832,911)**
Profit from operating activities before provision for credit losses		**435,618**	**610,207**	**1,411,691**	**1,213,402**
Provision for credit losses		(43,370)	(103,154)	(274,851)	(195,712)
Reversal of provision for credit losses		54,790	2,586	123,438	43,144
Total income before Income tax		**447,038**	**509,639**	**1,260,278**	**1,060,834**

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENT OF INCOME (continued)
for Quarter IV ended 31 December 2024

	Notes	For the Quarter ended		For the Period ended	
		31 Dec 2024 million dong	31 Dec 2023 million dong	31 Dec 2024 million dong	31 Dec 2023 million dong
Current corporate income tax	18	(86,375)	(99,412)	(249,023)	(206,385)
Deferred corporate income tax					(82)
Corporate income tax ("CIT")		**(86,375)**	**(99,412)**	**(249,023)**	**(206,467)**
NET PROFIT FOR THE PERIOD		**360,663**	**410,227**	**1,011,255**	**854,367**

Prepared by

Doan Thi Trang Lien
Accountant

Verified by

Hoang Quang Duy
Director of Finance

Approved by

NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN BẮC Á
Deputy General Director
PHÓ TỔNG GIÁM ĐỐC
Lê Ngọc Hồng Nhật

Nghe An, Vietnam, 20th January, 2025

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS
for Quarter IV ended 31 December 2024

	Notes	For the Period ended 31 Dec 2024 million dong	31 Dec 2023 million dong
OPERATING ACTIVITIES			
Interest and similar income receipts		9,370,662	11,539,198
Interest and similar expense payments		(10,134,901)	(9,497,433)
Fees and commission income proceeds		105,581	104,852
Net receipts from foreign currencies and securities trading		2,088,030	1,636,782
Other operating income proceeds		(13,883)	(3,470)
Proceeds from bad debts written-off		15,029	92,723
Payments to employees and for other operating activities		(1,998,464)	(1,933,782)
Corporate income tax paid during the period	18	(262,060)	(170,915)
Net cash flows from operating activities before changes in operating assets and working capital		**(830,006)**	**1,767,955**
Changes in operating assets			
(Increase)/decrease in due from banks		(441,259)	(902,684)
(Increase)/decrease in trading and investment securities		(2,037,801)	(13,718,244)
(Increase)/decrease in derivatives and other financial assets		(184,066)	103,023
(Increase)/decrease in loans and advances to customers		(9,698,829)	(5,733,375)
Decrease in provision to write off and compensate for loan losses and devaluation of investment securities & long-term investments		(26,531)	(6,133)
(Increase)/decrease in other assets		53,524	261,126
Changes in operating liabilities			
Increase/(decrease) in borrowings from the Government and the SBV		(16,612)	(28,468)
Increase/(decrease) in due to banks		722,286	68,614
Increase/(decrease) in due to customers		4,072,764	21,572,322
Increase/(decrease) in valuable papers issued (except for long-term valuable papers issued disclosed in financing activities)		5,700,000	(2,100,531)
Increase/(decrease) in other borrowed funds		15,845	6,687
Increase/(decrease) in derivatives and other financial liabilities		(97,173)	97,173
Increase/(decrease) in other liabilities		55,769	(31,657)
Payments from reserves			
Net cash flows from operating activities		**(2,712,089)**	**1,355,808**
INVESTING ACTIVITIES			
Purchase of fixed assets		(51,776)	(338,148)
Proceeds from sale of fixed assets		137	300
Disbursements for sale of fixed assets			
Purchase of investment properties			
Proceeds from sale of investment properties			
Disbursements for sale of investment properties			
Investments in joint ventures, associates and others		(5,260)	
Proceeds from sales of investment in joint ventures, associates and others			
Dividend receipts from long-term investments in the period		12,638	27,639
Net cash flows from/(used in) investing activities		**(44,261)**	**(310,209)**

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

INTERIM CONSOLIDATED STATEMENT OF CASH FLOWS (continued)
for Quarter IV ended 31 December 2024

	Notes	For the Period ended 31 Dec 2024 million dong	31 Dec 2023 million dong
FINANCING ACTIVITIES			
Increase in charter capital		625,070	300,294
Proceeds from subordinated debts to increase tier 2 capital		3,500,000	1,325,000
Repayment of subordinated debts to reduce tier 2 capital		(263,290)	
Dividend payment to shareholders		(625,070)	
Purchase of treasury shares			
Proceeds from sale of treasury shares			
Net cash flows from financing activities		**3,236,710**	**1,625,294**
Net increase/(decrease) in cash and cash equivalents during the period		**480,360**	**2,670,893**
Cash and cash equivalents at the beginning of the period		**15,206,324**	**12,535,431**
Foreign exchange difference			
Cash and cash equivalents at the end of the period	**28**	**15,686,684**	**15,206,324**

Prepared by	Verified by	Approved by
Doan Thi Trang Lien	Hoang Quang Quy	
Accountant	Director of Finance	Deputy General Director

M.S.D.N: 2900325526 - C.T.C.P NGÂN HÀNG THƯƠNG MẠI CỔ PHẦN BẮC Á TP. VINH - T. NGHỆ AN

Nghe An, Vietnam, 20th January, 2025

PHÓ TỔNG GIÁM ĐỐC
Lê Ngọc Hồng Nhật

The accompanying notes from 1 to 35 form part of these interim consolidated financial statements.

1. CORPORATE INFORMATION

Bac A Commercial Joint Stock Bank (herein referred to as "the Bank" or "Bac A" or "Bac A Bank") is a joint stock commercial bank registered in the Socialist Republic of Vietnam.

Establishment and Operations

The Bank was initially established on 01 September 1994 under Business License No. 0052-NH/GP issued by the State Bank of Vietnam for operating duration of 99 years.

The Bank's principal activities are to provide banking services including mobilizing and receiving short-term, medium-term and long-term deposits from organizations as well as individuals; making short-term, medium-term and long-term loans and advances to both organizations and individuals based on the nature and capability of the Bank's sources of capital; foreign exchange transactions; international trade finance services; discount of commercial papers, bonds and other valuable papers; and other banking services as approved by the State Bank of Vietnam.

Chartered Capital

The chartered capital of the Bank as at 31 December 2024 is VND 8,959,336,420,000 (Eight thousand nine hundred and fifty-nine billion, three hundred and thirty-six million, four hundred and twenty thousand dong).

Board of directors

Members of the Board of Directors as at the date of this report are as follows:

Name	*Title*	*Date of Appointment/ Resignation*
Ms.Tran Thi Thoang	Chairwoman	Reappointed on 27 April 2024
Ms.Thai Huong	Vice-chairwoman	Reappointed on 27 April 2024
Mr. Vo Van Quang	Member	Reappointed on 27 April 2024
Mr. Dang Thai Nguyen	Member	Reappointed on 27 April 2024
Ms. Hoang Hong Hanh	Independent member	Appointed on 27 April 2024

Board of Management

Members of the Board of Management as at the date of this report are as follows:

Name	*Title*	*Date of Appointment/ Resignation*
Ms. Thai Huong	General Director	Appointed on 01/09/1994
Mr. Dang Trung Dung	Standing Deputy General Director	Appointed on 28/07/2016
Mr. Chu Nguyen Binh	Deputy General Director	Appointed on 01/03/2008
Mr. Truong Vinh Loi	Deputy General Director	Appointed on 30/05/2008
Mr. Vo Van Quang	Deputy General Director	Appointed on 01/07/2009
Mr. Nguyen Trong Trung	Deputy General Director	Appointed on 15/05/2003
Mr. Nguyen Viet Hanh	Deputy General Director	Appointed on 05/03/2015
Mr. Le Ngoc Hong Nhat	Deputy General Director	Appointed on 01/05/2016
Mr. Nguyen Ai Dan	Deputy General Director	Appointed on 01/06/2017
Ms. Thai Thi Nga	Deputy General Director	Appointed on 03/10/2023

Location and operation network

The Bank's Head Office is located at 117, Quang Trung Street, Vinh City, Nghe An Province. As at 31 December 2024, the Bank has one (01) Head Office and fifty nine (59) active branches nationwide.

1. CORPORATE INFORMATION (continued)

Subsidiaries

As at 31 December 2024, the Bank has two (02) subsidiaries wholly owned by the Bank, which are:

- Bac A Debt Management and Asset Development one sole member Company Limited, specializing in debt and asset management. The Company was established under Decision 939/QD – HDQT of the Board of Directors of Bac A Bank dated 12 December 2009 and Decision 330/QD-NHNN issued by the Governor of the State Bank of Vietnam on 11 February 2010.
- Bac A Money Transfer Company Limited was established under Business Registration No. 0107983828 dated 05 September 2017 issued by the Hanoi Authority of Planning and Investment. Its main activities are providing foreign money transfer services and payment services.

Employees

As at 31 December 2024, the total number of employees of the Bank (including Subsidiaries) is 3,886 persons (the total number as at 31 December 2023 is 3,680 persons).

2. SIGNIFICANT ACCOUNTING POLICIES

2.1 Statement of compliance

The Bank affirms that the interim consolidated financial statements of the Bank have been prepared in accordance with Vietnamese Accounting Standards, Accounting System for Credit Institutions and statutory requirement relevant to preparation and presentation of consolidated financial statements.

2.2 Basis of presentation

The interim consolidated financial statements of the Bank are prepared in accordance with Accounting System for Credit Institutions required under Decision 479/2004/QD-NHNN issued on 29 April 2004 by the Governor of the State Bank of Vietnam which was enacted from 1 January 2005 and other legal documents *(decisions/circulars)* on amendment and supplementation of Decision 479/2004/QD-NHNN, Decision 16/2007/QD-NHNN issued on 18 April 2007, Circular No. 49/2014/TT-NHNN issued on 31 December 2014, Circular No. 22/2017/TT-NHNN issued on 29 December 2017 and Circular No. 27/2021/TT-NHNN issued on 31 December 2021 by the Governor of the State Bank of Vietnam, Vietnamese Accounting Standards and related regulations issued by the Ministry of Finance as per:

- Decision 149/2001/QD-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 1);
- Decision 165/2002/QD-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 2);
- Decision 234/2003/QD-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 3);
- Decision 12/2005/QD-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Standards on Accounting (Series 4); and
- Decision 100/2005/QD-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Standards on Accounting (Series 5).

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.2 *Basis of presentation* (continued)

The accompanying interim consolidated financial statements have been prepared using accounting principles, procedures and reporting practices generally accepted in Vietnam. Accordingly, the accompanying interim consolidated statement of financial position, interim consolidated statement of income, interim consolidated statement of cash flows and notes to the interim consolidated financial statements and their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present its financial position, financial performance and its cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

2.3 *Fiscal year and accounting currency*

The Bank's fiscal year starts on 01 January and ends on 31 December.

These interim consolidated financial statements are prepared for the 4th Quarter of 2024, which starts on 01 October 2024 and ends on 31 December 2024.

Monetary unit used in accounting is Vietnamese Dong (VND). For the purpose of preparing the consolidated financial statements, all amounts are rounded to the nearest million and presented in VND million (million dong).

2.4 *Accounting estimates and assumptions*

The preparation of the Consolidated financial statements requires the Bank to make estimates and assumptions which affect the reported figures of assets and liabilities as well as the disclosure of contingent liabilities. These estimates and assumptions also affect income, expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty. Therefore, actual results may lead to the adjustments of such provisions in the future.

2.5 *Basis of consolidation*

The interim consolidated financial statements comprise of the financial statements of the Bank and its subsidiaries as at and for the accounting period (as disclosed in Note 2.3). The financial statements of the subsidiaries are prepared for the same accounting period and in accordance with prevailing accounting policies and regulations.

All intra-group balances, transactions, income and expense and unrealized profits and losses resulting from intra-group transactions are eliminated in full.

The financial statements of subsidiaries (as disclosed in Note 1) and those of the Bank are fully consolidated from the date when control is transferred to the Bank. Control is achieved when the Bank has the power to govern directly or indirectly the financial and operating polices of an entity so as to obtain benefits from its activities. The results of subsidiaries acquired or disposed of during the year are included in the interim consolidated statement of income from the date of acquisition or up to the date of disposal, as appropriate.

2.6 *Cash and cash equivalents*

Cash and cash equivalents consist of cash, gold and gemstones, balances with the State Bank of Vietnam, government bills and other short-term valuable papers eligible for SBV discount, current account and deposits with other credit institutions with maturity of less than 90 days from the date of granting and short-term investments with original terms not exceeding 90 days, with high liquidity and can be easily converted into defined amount of cash and do not have much risk in conversion into cash.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.7 *Deposit and loans to other credit institutions*

Deposits with and loans to other credit institutions are disclosed and presented at the amount of principal outstanding at the end of the accounting period.

The credit risk classification for deposits with and loans to other credit institutions is made in accordance with Circular No. 31/2024/TT-NHNN dated 30 June 2024 provides for the classification of assets in operations of commercial banks, non-bank credit institutions and foreign bank branches ("Circular 31/2024").

Provisions for deposits with and loans to other credit institutions is made in accordance with Decree No. 86/2024/ND-CP dated 11 July 2024 provides for amounts and methods of establishing risk provisions and use of provisions for management of risks arising from operations of credit institutions and foreign bank branches ("Decree 86/2024"). Accordingly, the Bank makes specific provisions for deposits (excluding demand deposits) and loans to other credit institutions.

According to Decree 86/2024, the Bank is not required to make a general provision for deposits with and loans to other credit institutions.

2.8 *Loans and advances to customers*

Loans and advances to customers are disclosed at the principal amounts outstanding at the end of the accounting period.

Loans classification

According to Circular No. 31/2024/TT-NHNN by the State Bank of Vietnam dated 30 June 2024, taking effect from 01 July 2024, replacing Circular No. 11/2021/TT-NHNN, loans to customers are classified as follows: Current, Special mentioned, Sub-standard, Doubtful and Loss based on overdue status and other qualitative factors of the loans.

The Bank also applies the regulations on loan restructuring and retention of the latest debt classification for the loans that meet the requirements of Circular No. 01/2020-TT-NHNN ("Cicular 01/2020") dated 13 March 2020, Circular No. 03/2021/TT-NHNN ("Circular 03/2021") dated 2 April 2021 amending, supplementing some articles of Circular 01/2020, Circular No. 14/2021/TT-NHNN ("Circular 14/2021") dated 7 September 2021 amending, supplementing some articles of Circular 01/2020 providing guidance on loan restructuring, exemption or reduction of interest and fees and retention of loan classification group to assist the borrowers affected by Covid-19 pandemic, Circular No. 02/2023/TT-NHNN ("Circular 02/2023") providing instructions on debt rescheduling and retention of debt category to assist borrowers in difficulties issued by Sate Bank of Viet Nam dated 23 April 2023.

Provision for credit losses

Since 11 July 2024, the Bank makes provisions for credit losses according to Decree No. 86/2024/ND-CP. Risk provisions is calculated monthly and recorded as the following month's provision expense. According to Decree 86/2024, once a month, within the first 07 (seven) days of the month, the Bank shall make provision for risks according to the results of classification of debts by the end of the last day of the preceding month. Provisions for credit risks include specific provisions and general provisions.

The provisions are recorded in the interim consolidated statement of income as an expense and will be used to write off any credit losses incurred.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.8 *Loans and advances to customers (continued)*

Specific provision: Specific provision is calculated based on loan balance of each borrower less value of collateral assets discounted at predetermined percentage for each kind of collateral assets. Specific provision rate applied to each group are as follows:

Group	*Name*	*Specific provision rate*
1	Current	0%
2	Special Mentioned	5%
3	Substandard	20%
4	Doubtful	50%
5	Loss	100%

In addition, The Bank has complied with regulations of specific provision for customers whose debts are rescheduled, exempt or reduce interest in accordance with Circular 03/2021, customers whose debts are rescheduled, exempt or reduce interest in accordance with Circular 02/2023.

General provision: In accordance with these legal documents (decisions/circulars), the Bank is required to fully make and maintain a general provision at 0.75% of total loans and advances to customers, which are classified from groups 1 to 4.

Write off

According to these legal documents (decisions/circulars), at the discretion of the Bank's Bad Debt Resolution Committee, the Bank can write off the loans that are classified in Group 5 and of which the borrowers are bankrupted or liquidated (for corporate) or are deceased or missing (for individuals).

2.9 *Trading securities*

Trading securities are debt securities, equity securities and other securities purchased for trading purposes. Trading securities are initially recognized at cost.

Listed trading debt securities are recognized at cost less allowance for impairment of securities determined on the rate of return listed on the Hanoi Stock Exchange at the statement of financial position date.

Corporate bonds that are not listed on the stock market or registered for trading in the transaction market of unlisted public companies will be made a provision for risks in accordance with Decree No. 86/2024/ND-CP.

Equity securities are recognized at cost in the subsequent holding period. Periodically, equity securities are permitted to establish a provision for diminution in value when their carrying amount is higher than the market value. In case the market value of securities cannot be determined, an allowance will not be made for securities. Provision for devaluation is recognized in the income statement in the item "*Net gain/(loss) from trading securities*".

Gains or losses by cash from sales of trading securities are recognized in the income statement. Trading securities are stopped recognizing when any entitlement to receive cash flows from these securities has expired or the Bank has transferred substantially all risks and rewards of ownership.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.10 Investment securities

2.10.1 Available-for-sale securities

Available-for-sale investment securities include debt securities and equity securities held by the Bank for investment and available-for-sale purposes that are not qualified to be classified as trading securities but can be sold at any time whenever it is considered beneficial.

Equity securities recorded as available-for-sale investment securities are securities listed on equity securities markets, recorded at cost on the transaction date and always reflected at cost during the next holding period.

Debt securities are recognized at par value on the transaction date. The accrued interest of a security before buying (for debt security with interest payment later) or interest received in advance waiting for allocation (for debt securities with interest payment in advance) is reflected in a separate account. The discount/premium is the negative/positive difference between the original price and the value of the amount including par value plus (+) accrued interest before the purchase (if any) or minus (-) the interest received in advance, awaiting allocation (if applicable) is also reflected on a separate account.

During the next holding period, these debt securities are recognized at par value and discount/premium (if any) is amortized to the consolidated statement of income on a straight-line basis over the period estimated residual stock. Interest accrued before buying is reduced to the value of the accrued interest account, and interest accrued after the purchase date is recognized as the Bank's income on the accrual basis. Interest received in advance is amortized to the securities investment interest income on a straight-line basis over the term of securities investment.

Available-for-sale securities are subject to devaluation review periodically. Available-for-sale securities are subject to devaluation when their carrying amount is higher than the market price. In case the market value of securities cannot be determined, an allowance will not be made for securities. Provision for devaluation is recognized in the consolidated statement of income in the item "*Net gain/(loss) from investment securities*".

For corporate bonds unlisted on the stock market or unregistered for trading on the transaction market of unlisted public enterprises, the Bank shall make provisions for credit risks in accordance with Decree No. 86/2024/ND-CP.

2.10.2 Held-to-maturity securities

Held-to-maturity investment securities is debt securities purchased by the Bank for investment purposes to earn interest and the Bank has the intention and ability to hold these securities to maturity. Held-to-maturity investment securities have determinable value and specific maturity date. In the event that securities are sold out before maturity, these securities will be reclassified to trading securities or available-for-sale securities.

Held-to-maturity investment securities are recognized and measured in the same way as available-for-sale investment securities presented in Note 2.10.1.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.11 *Other long-term investments*

Other long-term investments represent the Bank's capital investments in other entities where the Bank owns less than 11% of voting rights and the securities of these entities are not listed on the stock market. These investments are initially at cost on the transaction date.

Provision for diminution in the value of investment is made when there is substantial evidence indicating a decline in the value of these investments at the statement of financial position date.

The provision is reversed if the recoverable amount of the investments increases after making provision. It is reversed to the extent that the carrying value of these investments does not exceed the carrying value of this investment assuming that no allowance has been recorded.

Increase or decrease in provision for long-term investments is recognized into the Consolidated Income Statement.

2.12 *Fixed assets*

Fixed assets are stated at cost less accumulated amortization. The cost of a fixed asset comprises its purchase price plus any directly attributable costs of bringing the asset to working condition for its intended use.

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

When assets are sold or liquidated, their cost and accumulated depreciation are removed from the interim consolidated statement of financial position and any gains or losses resulting from their disposal are recorded to the interim consolidated statement of income.

2.13 *Depreciation and amortization*

Depreciation and amortisation of tangible fixed assets and intangible assets is calculated on a straight-line basis over the estimated useful life of the assets, which are as follows:

Buildings and structures	08 - 38 years
Machines and equipment	03 - 13 years
Transportation vehicles	06 - 11 years
Office equipment	03 - 05 years
Land use rights (*)	based on lease term
Computer software	03 - 08 years

(*): The cost of the land use rights is not amortized if it is granted by the Government of Vietnam and has indefinite term. The cost of definite land use rights with definite term is amortized over the lease term.

2.14 *Receivables are classified as credit-risk assets*

Receivables classified as credit-risk assets are recorded at cost and classified by the Bank and made provisions for risks in accordance with Decree No. 86/2024/ND-CP.

2.15 *Others Receivables*

Other receivables that are not classified as credit risk assets are stated at cost and subsequently presented at cost in the following periods.

Other receivables are subject to review for risk provision based on the principal overdue or according to the expected loss that may occur in case of undue debt but the indebted economic institutions go bankrupt, or undergo dissolution procedures, debtors are missing, have fled from business locations, are prosecuted, detained or tried by law enforcement bodies or dead. Provision expense is recognized in item *"Expenses for risk provision"* in the income statement.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.15 *Others Receivables (continued)*

For overdue receivables, the provision rates are as follows:

Overdue period	*Provision rate*
From over six (06) months up to less than one (01) year	30%
From one (01) year up to less than two (02) years	50%
From two (02) years up to less than three (03) years	70%
Three (03) years or more	100%

2.16 *Prepaid expenses and pending expenses*

Amortization costs comprise short-term prepayments or long-term prepayments on a consolidated statement of financial position and are amortized over the prepayment period or the time when corresponding economic benefits are generated out from these costs.

2.17 *Goodwill*

Goodwill arising from a business combination is initially recognized at cost, which is the difference between the cost of the business combination and the buyer's share in the fair value of an asset or liability. Identifiable payments and contingent liabilities recorded. If the cost of the business combination is lower than the fair value of the net assets of the acquire, the difference will be recognized in the consolidated statement of income. Goodwill is determined by cost less accumulated amortization after the initial recognition. Goodwill is amortized on a straight-line basis over its estimated useful lives of ten (10) years or less.

2.18 *Repurchase and Resale Contract*

Securities sold and committed to repurchase at a certain time in the future are still recognized in the consolidated financial statements. Amounts received under this agreement are recognized as a borrowing on the consolidated statement of financial position and the difference between the selling and buying price is amortized on a straight-line basis and recognized in the consolidated statement of income during the valid period of the contract.

Securities purchased under the same commitment to resell at a certain time in the future. Settlement under this agreement is recognized as a loan on the consolidated statement of financial position and the difference between the sale and purchase price is amortized on a straight-line basis and recognized in the consolidated statement of income during the valid period of the contract.

2.19 *Operating lease*

Operating lease payments are recognized in the consolidated income statement on a straight-line basis over the term of the lease. Rental commissions received are recognized in the consolidated income statement as an integral part of total rental expenses.

2.20 *Borrowings, deposits and valuable papers issued*

Debts to the Government and the State Bank are stated at cost.

Deposits with other credit institutions, customers, valuable papers and financing, trust financing, and loans at risk credit institutions are announced and presented at the balance original. At the time of initial recognition, issue costs of bonds are reduced to a decrease in the original balance of the bonds. The Bank shall amortize these expenses into *"Interest expenses and similar expenses"* using the straight-line method in accordance with the term of valuable papers.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.21 Foreign currency transactions

According to the Bank's accounting system, all transactions are recorded in original currencies. At the end of the period, assets and liabilities denominated in foreign currencies are converted into VND at the exchange rate as at the date of the consolidated statement of financial position. The Bank's foreign currency income and expenses are converted into VND at the exchange rate on the transaction date. Foreign exchange differences due to revaluation of assets and liabilities denominated in foreign currencies into VND are recognized in the consolidated income statement.

2.22 Payables and accruals

Payables and accruals are recognized for the future payables related to goods and services received regardless of whether the Bank has received the supplier's invoice.

2.23 Shareholders' equity

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares are recognized as a deduction from share premium in equity.

Shares premium

The difference between the issue price and par value of the security is recognized in share premium in equity.

Funds of credit institution

Funds are used for specific purposes and are extracted from the Bank's profit after tax based on the prescribed ratios and the Resolution of the General Meeting of Shareholders:

- Reserve fund for supplementing charter capital: 5% of profit after tax, not exceeding the Bank's charter capital;
- Financial reserve fund: 10% of profit after tax;
- Other funds: deducted in accordance with current regulations and resolutions of the General Meeting of Shareholders.

2.24 Recognition of revenues and expenses

2.24.1 Interest income and interest expense

Interest income and interest expense are recognized in the consolidated income statement on an accrual basis. Accrued interest income arising from loans classified from groups 2 to 5 according to Circular 31/2024 and loans with repayment term rescheduled under Circular 01/2020 and Circular 02/2023 will not be recognized in the statement own business performance. Accrued interest on these debts is recorded on off-balance sheet account and recognized in the consolidated statement of income when the Bank actually collects it.

2.24.2 Banking service fees

Banking service fees are recognized when the service is rendered.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.24 Recognition of revenues and expenses (continued)

2.24.3 Revenue from investment activities

Revenue from securities trading is determined based on the difference between the selling price and the cost of the securities.

Cash dividends are recognized in the consolidated statement of income when the Bank's right to receive cash dividends is established.

Dividends received in the form of shares, bonus shares and stock options for existing shareholders, shares divided from undistributed earnings are not recognized as an increase in the value of the investment and are not recognized as an income of the Bank that only updates the number of shares.

2.24.4 Revenue from other services

When the contract results can be determined with certainty, revenue will be recognized based on the level of work completion. If the outcome of the contract cannot be determined with certainty, revenue is recognized only to the extent that the expenses recognized are recoverable.

2.24.5 Accounting for receivable but unrecognized revenue

According to Circular No. 16/2018/TT-BTC dated 07 February 2018 of the Ministry of Finance guiding a number of articles on the financial regime for credit institutions and foreign bank branches, receivable from uncollectible accrued income at the due date are recorded as a reduction in revenue if the income has been accrued in the same accounting period or recorded as an expense if the income has been accrued in the different accounting periods and monitored in off-balance sheet. Upon receipt of these amounts, the Bank will record it as income on the consolidated statement of income.

2.25 Corporate income taxes

2.25.1 Current corporate income tax

Tax assets and tax liabilities for the current year and previous years are measured at the amount payable to (or recovered from) the tax authorities based on enacted tax rates and tax laws at the date of consolidated statement of financial position.

Current income taxes are recognized in the consolidated income statement except when it relates to items recognized directly to shareholders' equity, in which case the current income tax is also recognized directly to shareholders' equity.

The Bank can only offset current income tax assets and current income tax payables when the Bank has a legal right to offset current income tax assets with current income tax payables on a net basis and intend to do so.

The Bank's reports on tax return are subject to inspection by the tax authorities. Tax amounts presented in the consolidated financial statements are subject to change upon the final decision by the tax authorities.

2.25.2 Deferred income tax

Deferred income tax is identified as temporary differences between payable assets and liabilities subject to income tax and their book value presented on consolidated financial statements as at statement of financial position date.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.25 Corporate income taxes (continued)

2.25.2 Deferred income tax (continued)

Deferred income tax liabilities are recognized for all taxable temporary differences except where the income tax arises in relation to an item that is credited to equity, in which case the deferred income tax is also recorded directly into equity.

Deferred tax assets are recognized for all deductible temporary differences, the amount transferred to the following years of unused tax losses and unused tax incentives, where certain in the future there will be taxable profits to use these unused deductible differences, tax losses and tax incentives. Previously unrecognized deferred tax assets are reconsidered at the statement of financial position date and recognized when there is certain future taxable profit available for the use of the unrecognized deferred income tax assets. Deferred income tax assets and deferred income tax liabilities are determined at the tax rates expected to apply for the fiscal year when the asset is recovered or the liability is settled, based on tax rates and Tax law takes effect on the statement of financial position date.

2.26 Provision for off-balance sheet commitments

According to SBV's relevant legal documents, credit institutions must classify and make provision for guarantees, payment acceptances, and irrevocable loan commitments with specific effective date (generally called *off-balance sheet commitments*) into groups as regulated, namely *Current, Special Mentioned, Substandard, Doubtful* and *Loss* based on the overdue status and other qualitative factors.

Provision for off-balance sheet commitments is calculated similarly to the provision for loans and advances to customers as described in Note 2.8.

2.27 Currency derivative contracts

The Bank enters into forward and swap contracts to enable customers to transfer, adjust or reduce their foreign exchange or other market risks, and at the same time serve the Bank's business purposes.

Foreign currency forward contracts

Forward contracts are commitments to buy or sell a certain currency at a specified future date at a predetermined rate and to be paid for in money. Forward contracts are recognized at nominal value on the transaction date and are periodically revalued, the difference from revaluation is recognized in the consolidated income statement.

Swap contracts

Swap contracts are commitments to settle in cash at a future date based on the difference between the predetermined rates calculated on the notional principal amount or commitments to pay the accrued interest. A floating rate or a fixed rate charged on the same nominal amount over the same period of time.

Currency swap contracts are revalued on a periodic basis, the difference from revaluation is recorded in the consolidated income statement.

Interest rate swap differences are recognized in the consolidated income statement on an accrual basis.

2. SIGNIFICANT ACCOUNTING POLICIES (continued)

2.28 Related parties

Parties are considered to be related parties of the Bank if one party has the ability, directly or indirectly, to control the other party or influence the other party to make financial and operating decisions, or when the Bank and the other party are under common control or common material influence. Related parties can be corporations or individuals, including close family members of any individual considered to be related.

2.29 Offsetting

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

2.30 Restatement of opening balances

Bac A Bank's independent auditors did not propose any audit adjustment to the Bank's consolidated financial statements for the year ended 31 December 2023.

Therefore, Bac A Bank is not required to make any restatement to the opening balances (31 December 2023) of the interim consolidated financial statements for Quarter IV and the period ended 31 December 2024.

3. CASH AND CASH EQUIVALENTS ON HAND

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Cash on hand in VND	522,970	573,075
Cash on hand in foreign currencies	43,626	43,495
	566,596	**616,570**

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

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Current accounts at the SBV	798,225	887,264
	798,225	**887,264**

5. PLACEMENTS WITH AND LOANS TO OTHER BANKS

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Placements with other banks	12,454,527	13,602,238
Loans to other banks	3,569,095	1,760,262
Provision for credit losses of loans to other banks		
	16,023,622	**15,362,500**

5. PLACEMENTS WITH AND LOANS TO OTHER BANKS (continued)

5.1 *Placements with other banks*

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Demand deposits with other banks	**6,328,677**	**7,325,673**
In VND	4,965,505	4,934,737
In foreign currencies	1,363,172	2,390,936
Term deposits with other banks	**6,125,850**	**6,276,565**
In VND	6,100,000	6,250,000
In foreign currencies	25,850	26,565
	12,454,527	**13,602,238**

6. TRADING SECURITIES

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Debt securities	**24,599,926**	**20,992,851**
Certificate of deposits	24,599,926	20,992,851
Equity securities		
Securities issued by other local credit institutions		
Securities issued by local business entities		
Other trading securities		
Provision for trading securities		
	24,599,926	**20,992,851**

7. DERIVATIVES AND OTHER FINANCIAL ASSETS

	Total value of financial contracts (the exchange rates are based on the effective date of contract) million dong	*The book value of financial contracts (the exchange rates are based on the statement of financial position date)*	
		Assets million dong	*Liabilities million dong*
As at 31 Dec 2024			
Derivative contracts	***184,066***	***184,066***	
Swap currency contracts	184,066	184,066	
Other derivative contracts			
As at 31 Dec 2023			
Derivative contracts	***97,173***		***97,173***
Swap currency contracts	97,173		97,173
Other derivative contracts			

8. LOANS AND ADVANCES TO CUSTOMERS

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Loans to local business entities and individuals	109,552,476	99,853,622
Discount of commercial bills and valuable papers		
Trust loans	240	240
Other loans	88	113
	109,552,804	**99,853,975**

Commercial loans include short-term, medium-term and long-term loans, inclusive of syndicated loans that the Bank participated in VND and USD.

8.1 Analysis of loans by quality

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Current	107,804,232	98,002,661
Special mentioned	389,411	935,647
Substandard	194,360	170,642
Doubtful	270,901	229,532
Loss	893,900	515,493
	109,552,804	**99,853,975**

8.2 Analysis of loans by original terms

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Short-term loans	51,798,983	47,552,306
Medium-term loans	15,368,916	14,446,715
Long-term loans	42,384,905	37,854,954
	109,552,804	**99,853,975**

9. CHANGES IN THE PROVISION FOR CREDIT LOSSES

The breakdown of provision for loan losses as at 31 December 2024 that is disclosed in the interim consolidated statement of financial position is as follows:

	31 Dec 2024 million dong
Specific provision	509,491
General provision	814,942
	1,324,433

Changes in the provision for credit losses during the period ended 31 December 2024 are summarized below:

	Specific provision million dong	*General provision million dong*	*Total million dong*
Opening balance	**454,647**	**745,039**	**1,199,686**
Provision expense in the period	184,520	90,331	274,851
Reversal of provision during the period	(103,010)	(20,428)	(123,438)
Bad debts written-off during the period	(26,666)		(26,666)
Closing balance	**509,491**	**814,942**	**1,324,433**

Changes in the provision for credit losses during the year 2023 are summarized below:

	Specific provision million dong	*General provision million dong*	*Total million dong*
Opening balance	**344,379**	**702,739**	**1,047,118**
Provision expense in the period	123,201	72,511	195,712
Reversal of provision during the period	(12,933)	(30,211)	(43,144)
Bad debts written-off during the period			
Closing balance	**454,647**	**745,039**	**1,199,686**

10. INVESTMENT SECURITIES

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Available-for-sale securities	**9,380,559**	**10,548,824**
Debt securities	***9,264,055***	***10,433,819***
Securities issued by the Government of Vietnam	3,695,935	4,127,430
Securities issued by other local credit institutions	2,902,018	3,440,390
Securities guaranteed by the Government	*2,301,964*	*2,207,065*
Securities issued by other local credit institutions	*600,054*	*1,233,325*
Securities issued by local business entities	2,666,102	2,865,999
Equity securities	***136,500***	***136,500***
Securities issued by other local credit institutions	136,500	136,500
Securities issued by local business entities		
Provision for available-for-sale securities	***(19,996)***	***(21,495)***
	9,380,559	**10,548,824**

11. OTHER LONG-TERM INVESTMENTS

Details of other long-term investments are as follows:

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Investment in subsidiary		
Other long-term investments	168,105	162,845
Provision for long-term investments	(21,949)	(20,315)
	146,156	**142,530**

12. OTHER ASSETS

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Interest and fee receivables	4,125,759	3,625,739
Construction in progress		
Receivables	299,819	292,705
Other assets	71,320	63,129
Deferred tax assets		
	4,496,898	**3,981,573**

12.1 Receivables

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Internal receivables	**69,366**	**139,354**
Receivables from employees	28,987	13,389
Other internal receivables	40,379	125,965
External receivables	**230,453**	**153,351**
Receivables from customers	168,009	122,819
Margin deposits	59,447	27,460
Receivables from State Budget	2,997	3,072
Construction in progress		
	299,819	**292,705**

12.2 Other assets

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Trust assets		
Prepaid expenses	41,205	31,307
Foreclosed assets		
Others	30,115	31,822
	71,320	**63,129**

13. BORROWING FROM GOVERNMENT AND THE SBV

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Borrowings from the SBV	**7,504**	**24,116**
Borrowings on the basis of credit file	7,504	24,116
Discount loans		
Borrowings against mortgage of valuable papers		
Deposits from the State Treasury		
Government bonds sold and bought back with the State Treasury		
Other borrowings		
	7,504	**24,116**

14. DEPOSITS AND BORROWINGS FROM OTHER BANKS

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Deposits from other banks	11,776,283	10,790,439
Borrowings from other banks	104,756	368,314
	11,881,039	**11,158,753**

14.1 Deposits from other banks

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Demand deposits	**4,901,283**	**4,898,939**
In VND	4,901,283	4,898,939
In foreign currencies		
Term deposits	**6,875,000**	**5,891,500**
In VND	6,400,000	5,650,000
In foreign currencies	475,000	241,500
	11,776,283	**10,790,439**

14.2 Borrowings from other banks

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
In VND	**104,057**	**367,564**
In which: Discount and rediscount loans		
In foreign currency	**699**	**750**
In which: Discount and rediscount loans		
	104,756	**368,314**

15. DEPOSITS AND OTHER AMOUNTS DUE TO CUSTOMERS

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Demand deposits	**3,433,196**	**5,127,370**
Demand deposit in VND	3,383,320	5,111,943
Demand saving deposits in VND	46	45
Demand deposits in foreign currencies	49,830	15,382
Demand saving deposits in foreign currencies		
Term deposits	**118,967,213**	**113,228,407**
Term deposit in VND	3,819,420	3,436,196
Term saving deposits in VND	115,073,918	109,718,824
Term deposits in foreign currencies		
Term saving deposits in foreign currencies	73,875	73,387
Deposits for specific purpose	**27**	**27**
Margin deposits	**149,251**	**121,119**
Margin deposits in VND	148,922	118,487
Margin deposits in foreign currencies	329	2,632
	122,549,687	**118,476,923**

16. VALUABLE PAPERS ISSUED

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Under 12 months	3,000,000	
From 12 months to 05 years	8,001,950	4,801,950
From and above 05 years	5,018,850	2,260,400
	16,020,800	**7,062,350**

17. OTHER PAYABLES

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Internal payables	516,987	133,114
External payables	148,442	145,630
Bonus and welfare funds	97,926	145,002
	763,355	**423,746**

18. OBLIGATIONS TO THE STATE BUDGET

Unit: million dong

	Opening balance	*Movements during the period*		*Closing balance*
		Payable	*Paid*	
Value Added Tax	1,243	16,771	16,689	1,325
Corporate Income Tax (*)	99,412	249,023	262,060	86,375
Other fees and tax payables	16,067	149,889	142,248	23,708
	116,722	**415,683**	**420,997**	**111,408**

(*) According to Decree No. 218/2013/NĐ-CP dated 26 December 2013 detailing and guiding the implementation of the Law on corporate income tax dated 03 June 2008 and the Law amending and supplementing a number of articles of the Law on corporate income tax dated 19 June 2013, The Bank has the obligation to pay Corporate income tax ("CIT") at the rate of 20% of taxable profits as from 01 January 2016.

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

19. OWNERS' EQUITY AND RESERVES

19.1 Statement of changes in owners' equity

Changes in owners' equity of the Bank during the period ended 31 December 2024 are described in the following table:

Unit: million dong

	Charter capital	*Share premium*	*Investment and development fund*	*Financial reserve*	*Supplemental capital reserve*	*Other reserves*	*Retained earnings/ (Accumulated losses)*	*Total*
Opening balance	**8,334,266**	**107,289**	**564**	**625,708**	**292,592**		**1,507,840**	**10,868,259**
Increase in the period	**625,070**			**84,404**	**42,202**		**1,011,255**	**1,762,931**
Capital increase in the period (i)	625,070							625,070
Net profit for the period							1,011,255	1,011,255
Appropriation to reserves for previous period (ii)				84,404	42,202			126,606
Temporary appropriation to reserves for current period								
Other increases								
Decrease in the period							**848,740**	**848,740**
Utilisation in the period							223,670	223,670
Treasury shares bought back during the period								
Final dividend payment for previous period (i)							625,070	625,070
Dividend paid in advance for the period								
Other decreases								
Closing balance	**8,959,336**	**107,289**	**564**	**710,112**	**334,794**		**1,670,355**	**11,782,450**

19. OWNERS' EQUITY AND RESERVES (continued)

19.1 Statement of changes in owners' equity (continued)

(i) In the period, the Bank increased its charter capital from VND 8,334,266,440,000 to VND 8,959,336,420,000 in accordance with the Resolution No. 02/2023/NQ-ĐHĐCĐ dated 22 April 2023 of the General Meeting of Shareholders. Accordingly, the Bank issued 62,506,998 ordinary shares with par value of VND 10,000/share through the form of share issuance to pay dividends to existing shareholders from its accumulated retained earnings of 2022.

(ii) The Bank distributed 2023's profit according to the Resolution No. 02/2024/NQ-ĐHĐCĐ dated 27 April 2024 as follows:

	Amount million dong
Supplemental charter capital reserve	42,202
Financial reserve	84,404
Welfare fund	84,404
Remuneration to members of Board of Directors and Board of Supervisors	12,660

Details of the Bank's chartered capital are as follows:

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Contributed capital	8,959,336	8,334,266
Contributed capital by shareholders	*8,959,336*	*8,334,266*
Share premium	107,289	107,289
Treasury shares		
	9,066,625	**8,441,555**

Details of shares issued by the Bank are as follows:

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Shares registered for issuance	*895,933,642*	*833,426,644*
Shares sold to the public	*895,933,642*	*833,426,644*
Ordinary shares	895,933,642	833,426,644
Preference shares		
Treasury shares		
Ordinary shares		
Preference shares		
Outstanding shares	*895,933,642*	*833,426,644*
Ordinary shares	895,933,642	833,426,644
Preference shares		
Face value of outstanding shares (VND/share)	*10,000*	*10,000*

20. INTEREST AND SIMILAR INCOME

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Interest income from deposits with other banks	133,090	144,663
Interest income from loans to customers	10,250,733	11,132,791
Interest income from debt securities	1,397,651	1,931,148
Interest income from trading securities	*1,108,781*	*1,101,656*
Interest income from investment securities	*288,870*	*829,492*
Fee income from guarantee activities	27,686	21,328
Other interest income from credit activities	2,953	154,354
	11,812,113	**13,384,284**

21. INTEREST AND SIMILAR EXPENSES

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Interest and similar expenses for customer deposits	7,927,056	10,534,871
Interest and similar expenses for borrowings	211	1,773
Interest expenses for issuing valuable papers	563,206	457,610
Other expenses for credit activities	430	759
	8,490,903	**10,995,013**

22. NET FEE AND COMMISSION INCOME

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Fee and commission income from	**150,014**	**137,774**
Settlement services	34,750	27,743
Treasury operations	1,241	1,280
Agency services	41,951	62,645
Advisory service	4,861	1,376
Other services	67,211	44,730
Fees and commission expenses for	**(44,433)**	**(32,922)**
Settlement services	(18,985)	(14,052)
Treasury operations	(4,508)	(4,062)
Agency services	(2,434)	(468)
Advisory service	(5,703)	(5,285)
Other services	(12,803)	(9,055)
Net fee and commission income	**105,581**	**104,852**

23. NET GAIN/(LOSS) FROM FOREIGN CURRENCY TRADING

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Income from foreign currency trading	**300,698**	**263,523**
Income from foreign exchange spot contracts	300,698	263,523
Income from currency derivatives		
Expenses for foreign currency trading	**(368,950)**	**(148,177)**
Expenses for foreign exchange spot contracts	(368,950)	(148,177)
Expenses for currency derivatives		
Net gain/(loss) from foreign exchange trading	**(68,252)**	**115,346**

24. NET GAIN/(LOSS) FROM SECURITIES

24.1 Net gain/(loss) from investment securities

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Income from trading of investment securities	314,178	317,251
Expense from trading of investment securities	(32,001)	(4,080)
(Provision)/Reversal of provision for investment securities	1,499	6,481
Net gain/(loss) from investment securities	**283,676**	**319,652**

25. NET GAIN/(LOSS) FROM OTHER OPERATING ACTIVITIES

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Income from debt trading activities		
Income from other derivative financial instruments		
Other operating incomes	27,292	99,206
Other operating expenses	(21,182)	(9,653)
Net gain/(loss) from other operating activities	**6,110**	**89,553**

26. NET SHARE OF PROFIT IN ASSOCIATES, JOINT VENTURES AND DIVIDEND INCOME

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Dividends received from equity investments:	**12,638**	**27,639**
- from equity trading securities		
- from equity investment securities		
- from long-term investments	12,638	27,639
Other incomes		
Gain/(Loss) from equity investments	**12,638**	**27,639**

27. OPERATING EXPENSES

	For financial period ended 31 Dec 2024 million dong	*For financial period ended 31 Dec 2023 million dong*
Tax expenses and fees	**8,561**	**22,885**
Employee expenses	**1,403,176**	**1,099,871**
Salary and allowances	1,103,231	832,943
Salary related contribution	118,355	107,941
Other allowances	367	593
Others	181,223	158,394
Expenses on fixed assets	**268,834**	**248,944**
In which:		
Depreciation expenses	*50,998*	*46,447*
General and administration expenses	**30,928**	**16,689**
Business trip expenses	24,316	15,463
Expenses for trade union activities	6,612	1,226
Insurance for customer deposits	**172,443**	**144,229**
Provision for long-term investments	**1,635**	**348**
Other operating expenses	**363,695**	**299,945**
	2,249,272	**1,832,911**

28. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the interim consolidated statement of cash flows comprise of the following balances of the interim consolidated statement of financial position:

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Cash and cash equivalents on hand	566,596	616,570
Demand deposits at the SBV	798,225	887,264
Deposits with other banks (demand or term less than 90 days)	12,454,527	13,602,238
Loans to other banks due within 90 days	1,367,574	
Securities with original maturity of less than 90 days from the acquisition dates	499,762	100,252
	15,686,684	**15,206,324**

29. CONTINGENT LIABILITIES AND COMMITMENTS

In the normal course of business, the Bank is a party to financial instruments which are recorded as off-balance sheet items. These financial instruments mainly comprise financial guarantees and commercial letters of credit. These instruments involve elements of credit risk in excess of the amounts recognized in the separate statement of financial position.

Credit risk for off-balance sheet financial instruments is defined as the possibility of sustaining a loss in case any other parties to a financial instrument fail to perform in accordance with the terms of the contract.

Financial guarantees are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party including guarantee for borrowings, settlement, and performing contracts and bidding. The credit risk involved in issuing guarantees is essentially the same as that involved in extending facilities to other customers.

Commercial at sight letters of credit represent a financing transaction by the Bank to its customer where the customer is usually the buyer/importer of goods and the beneficiary is typically the seller/exporter. Credit risk is limited as the merchandise shipped serves as collateral for the transaction.

Deferred payment letters of credits represent the amounts at risk should the contract be fully drawn upon and the client defaults in repayment to the beneficiary. Deferred payment letters of credit that defaulted by clients are recognized by the Bank as granting of a compulsory loan with a corresponding liability representing the financial obligation of the Bank to pay the beneficiaries and to fulfill the guarantor obligation.

The Bank usually requires customers to place margin deposits for credit related financial instruments. The value of deposits may vary from 0% to 100% of the value of the commitments issued depending on the customers' trustworthiness.

The outstanding commitments and contingent liabilities at the end of the period are as follows:

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Credit guarantees	**1,188,176**	**1,032,429**
Commitment on the foreign exchange transactions	**96,172,077**	**71,861,468**
Commitment on the purchase of foreign currency	16,809,800	10,336,200
Commitment on the sale of foreign currency	6,759,800	6,858,391
Commitment on the currency swap transactions	72,602,477	54,666,877
Commitments to conduct future transactions		
Irrevocable loan commitments	**1,330,645**	**115,636**
Commitments in L/C operations		
Other guarantees	**1,221,016**	**479,721**
Other commitments		
	99,911,914	**73,489,254**

30. UNCOLLECTED INTEREST AND FEE RECEIVABLES

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Uncollected loan interest	580,751	562,577
Uncollected security interest	111,580	
Uncollected fee receivables	30	33
	692,361	**562,610**

31. BAD DEBTS WRITTEN-OFF

	31 Dec 2024 million dong	*31 Dec 2023 million dong*
Principal of bad debts written-off under monitoring	600,645	586,190
Interest of bad debts written-off under monitoring	1,888,138	1,824,737
	2,488,783	**2,410,927**

32. CONCENTRATION OF ASSETS, LIABILITIES AND OFF-STATEMENT OF FINANCIAL POSITION ITEMS BY GEOGRAPHICAL REGIONS

Location	*Loans to customers and to other credit institutions*	*Deposits and borrowings from customers and other credit institutions*	*Credit commitments*	*Derivative (Total value of contracts)*	*Trading and investments securities*
	million dong	*million dong*	*million dong*	*million dong*	*million dong*
Domestic	113,121,899	134,430,726	3,739,837	184,066	34,000,481
	113,121,899	**134,430,726**	**3,739,837**	**184,066**	**34,000,481**

33. RELATED PARTY TRANSACTIONS

Related party transactions include all transactions undertaken with other parties to which the Bank is related. A party is considered to be related if the party has ability to control or to influence the other parties in decision making in term of financial policies and business activities. A party is related to the Bank if:

(a) Directly, or indirectly through one or more intermediaries, the party:

- controls, is controlled by, or is under common control with, the Bank (this includes parents and subsidiaries);
- has an interest in the Bank that gives it significant influence over the Bank;
- has joint control over the Bank;

(b) The party is a joint venture in which the Bank is a venture or an associate;

(c) The party is a member of the key management personnel of the Bank;

(d) The party is a close member of the family of any individual referred to in (a) or (c);

(e) The party is a Bank that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such Bank resides with, directly or indirectly, any individual referred to in (c) or (d).

As at 31 December 2024, the Bank has two subsidiaries wholly owned by the Bank, which are Bac A Debt Management and Asset Development one sole member Company Limited, specializing in debt and asset management and Bac A money transfer company limited (as described in Note 1).

Significant transactions with related parties during the quarter ended 31 December 2024 are as follows:

Transactions	*31 Dec 2024 million dong*
Income from financing activities	7,757
Income from Agency services	1,337
Fees and commission expenses	204

Amounts due to and due from related parties as at 31 December 2024 are as follows:

Transactions	*31 Dec 2024 million dong*
Subsidiaries' deposits at Bac A Bank	173,729
Investment in Subsidiaries	127,000

34. MARKET RISK

34.1 Interest rate risk

The real interest rate re-pricing term of the assets and liabilities is the remaining period from the date of financial statements to the latest interest rate re-pricing term.

The following assumptions and conditions are applied in the analysis of real interest rate re-pricing term of the Bank's assets and liabilities:

- Cash and cash equivalents on hand, investments in equity securities, long-term investments and other assets (fixed assets, real estate investments and other assets) are classified as non-interest bearing items;
- Deposits at the SBV are considered settlement deposits, thus the real interest repricing term is assumed to be one month;
- The real interest repricing term of security investments and trading securities which are debt securities is based on actual maturity date at the statement of financial position date of each securities; equity securities are classified as non-interest bearing items;
- The real interest repricing term of deposits due from other banks and loans to other banks, loans to customers, borrowings from the Government and the SBV, customer deposits are identified as follows:
  - Items with fixed interest rate during the contractual term: the real interest adjustment term is based on the contractual maturity date subsequent to the statement of financial position date;
  - Items with floating interest rate: the effective interest re-pricing term is determined based on the time to the nearest interest rate re-pricing date from the date of the statement of financial position;
- The real interest repricing term of other borrowed funds that the Bank bears risks is based on the actual remaining period subsequent to the statement of financial position date; and
- The real interest repricing term for other liablities is categorised from one to three months. In reality, these items can have different interest rate repricing terms.

34. MARKET RISK (continued)

34.1 Interest risk (continued)

Unit: million dong

	Overdue	*Non-interest bearing*	*Up to 1 month*	*1-3 months*	*3-6 months*	*6-12 months*	*1-5 years*	*Above 5 years*	*Total*
ASSETS									
Cash and cash equivalents on hand		566,596							566,596
Balances with the State Bank of Vietnam			798,225						798,225
Placements with and loans to other banks (*)			11,054,527	2,767,574			1,995,685	205,836	16,023,622
Trading securities (*)			1,199,764	2,450,027	6,157,883	13,292,252	1,500,000		24,599,926
Derivative financial instruments and other financial assets			184,066						184,066
Loans and advances to customers (*)	1,748,572		29,114,099	67,674,549	8,744,770	1,801,964	65,434	403,416	109,552,804
Investment securities (*)		136,500					4,817,760	4,446,295	9,400,555
Long-term investments (*)		168,105							168,105
Fixed assets and investment properties		1,062,274							1,062,274
Other assets (*)		4,496,898							4,496,898
Total assets	**1,748,572**	**6,430,373**	**42,350,681**	**72,892,150**	**14,902,653**	**15,094,216**	**8,378,879**	**5,055,547**	**166,853,071**
LIABILITIES									
Deposits of and loans from the SBV and other banks			11,881,109	162	86	4,362	2,824		11,888,543
Customers deposits		221,442	3,409,338	6,812,703	4,061,274	59,141,215	48,903,715		122,549,687
Derivative financial instruments and other financial assets									
Other borrowed funds							25,652		25,652
Valuable papers			1,950		1,000,000	2,000,000	8,000,000	5,018,850	16,020,800
Other liabilities		3,219,561							3,219,561
Total liabilities		**3,441,003**	**15,292,397**	**6,812,865**	**5,061,360**	**61,145,577**	**56,932,191**	**5,018,850**	**153,704,243**
Sensitive difference with on-balance sheet interest rate	**1,748,572**	**2,989,370**	**27,058,284**	**66,079,285**	**9,841,293**	**(46,051,361)**	**(48,553,312)**	**36,697**	**13,148,828**

(*):These balances do not include provisions.

34. MARKET RISK (continued)

34.2 Currency risk

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

As the Bank was incorporated and operates in Vietnam, VND is the reporting currency. The major currency in which the Bank transacts is also VND. The Bank's loans and advances were mainly denominated in VND with the remainder mainly in USD. However, some of the Bank's other assets are in currencies other than VND and USD. The Bank's management has set limits on positions by currency. Positions are monitored on a daily basis and hedging strategies are used to ensure that the positions are maintained within established limits.

34. MARKET RISK (continued)

34.2 Currency risk (continued)

Classification of assets, liabilities and owners' equity of which currencies are translated into VND as at 31 December 2024 is as follows:

Unit: million dong

	EUR as translated	*USD as translated*	*Other foreign currencies as translated*	*Total*
ASSETS				
Cash and cash equivalents on hand	5,497	38,129		43,626
Balances with the State Bank of Vietnam		1,589		1,589
Placements with and loans to other banks (*)	6,610	1,129,491	252,948	1,389,049
Trading securities (*)				
Derivatives and other financial assets (*)				
Loans and advances to customers (*)		98,000		98,000
Investment securities (*)				
Long-term investments (*)				
Fixed assets and investment properties				
Other assets (*)		46,139	1,321	47,460
Total assets	**12,107**	**1,313,348**	**254,269**	**1,579,724**
LIABILITIES				
Deposits of and loans from the SBV and other banks		475,699		475,699
Customers' deposits	6,823	117,248	17	124,088
Derivatives and other financial liabilities		14,206,150		14,206,150
Other borrowings				
Valuable papers				
Other liabilities	8	420		428
Capital and reserves				
Total liabilities and owner's equity	**6,831**	**14,799,517**	**17**	**14,806,365**
FX position on-balance sheet	**5,276**	**(13,486,169)**	**254,252**	**(13,226,641)**
FX position off-balance sheet		**10,050,000**		**10,050,000**
FX position on, off-balance sheet	**5,276**	**(3,436,169)**	**254,252**	**(3,176,641)**

(*): These balances do not include provisions.

34. MARKET RISK (continued)

34.3 Liquidity risk

Liquidity risk is defined as the risk that the Bank will encounter difficulty in meeting obligations associated with financial liabilities. Liquidity risk arises because of the possibility that the Bank might be unable to meet its payment obligations when they fall due under both normal and stressed circumstances. To limit this risk, the management has arranged diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and of monitoring future cash flows and liquidity on a daily basis. This incorporates an assessment of expected cash flows and the availability of high grade collateral which could be used to secure additional funding if required.

The maturity term of assets and liabilities represents the remaining period of assets and liabilities as calculated from the statement of financial position date to the point of settlements as stipulated in contracts or in issuance terms and conditions.

The following assumptions and conditions are applied in the analysis of overdue status of the Bank's assets and liabilites:

- Deposits at the SBV are classified as demand deposits which include compulsory deposits. The balance of compulsory deposits depends on the proportion and terms of the Bank's customer deposits;
- The maturity term of investment securities is calculated based on the maturity date of each kind of securities;
- Trading securities and investment equity securities are listed securities, so they are considered as up to one month;
- The maturity term of placements with and loans to other banks; and loans to customers is determined on the maturity date as stipulated in contracts. The actual maturity term may be altered because loan contracts may be extended. Besides, loans to customers are reported at the principal amounts, which do not include provision for credit losses;
- The maturity term of equity investments is considered as more than one year because these investments do not have specific maturity date;
- The maturity term of deposits and borrowings from other banks; and customer's deposits is determined based on features of these items or the maturity date as stipulated in contracts. Vostro account and demand deposits is transacted as required by customers, and therefore, being classified as current accounts. The maturity term of borrowings and term deposits is determined based on the maturity date in contracts. In fact, these amounts may be rotated, and therefore, they last beyond the original maturity date; and
- The maturity term of fixed assets is determined on the remaining useful life of assets.

34. MARKET RISK (continued)

34.3 Liquidity risk (continued)

Unit: million dong

	Overdue		*Before due date*					
	Above 3 months	*Up to 3 months*	*Up to 1 month*	*1 - 3 months*	*3 - 12 months*	*1 - 5 years*	*Above 5 years*	*Total*
ASSETS								
Cash and cash equivalents on hand			566,596					566,596
Balances with the State Bank of Vietnam			798,225					798,225
Placements with and loans to other banks(*)			11,054,527	2,767,574		1,995,685	205,836	16,023,622
Trading securities (*)			24,599,926					24,599,926
Derivative financial instruments and other financial assets			184,066					184,066
Loans and advances to customers(*)	1,359,161	389,411	2,975,851	8,850,240	40,936,187	28,494,666	26,547,288	109,552,804
Investment securities (*)			136,500			4,817,760	4,446,295	9,400,555
Long-term investments (*)						168,105		168,105
Fixed assets and investment properties						235,556	826,718	1,062,274
Other assets (*)			223,082	466,984	2,266,930	1,247,865	292,037	**4,496,898**
Total assets	**1,359,161**	**389,411**	**40,538,773**	**12,084,798**	**43,203,117**	**36,959,637**	**32,318,174**	**166,853,071**
LIABILITIES								
Deposits of and loans from the SBV and other banks			11,881,109	162	4,448	2,824		11,888,543
Customers' deposits			3,630,780	6,812,703	63,202,489	48,903,715		122,549,687
Derivative financial instruments and other financial liabilities								
Other borrowings						25,652		25,652
Valuable papers			1,950		3,000,000	8,000,000	5,018,850	16,020,800
Other liabilities			825,457	140,291	1,273,823	979,990		3,219,561
Total liabilities			**16,339,296**	**6,953,156**	**67,480,760**	**57,912,181**	**5,018,850**	**153,704,243**
Net liquidity difference	**1,359,161**	**389,411**	**24,199,477**	**5,131,642**	**(24,277,643)**	**(20,952,544)**	**27,299,324**	**13,148,828**

(*): These balances do not include provisions.

35. EVENTS AFTER THE STATEMENT OF FINANCIAL POSITION DATE

There are no significant events occurring after the statement of financial position date which would require adjustments, notes or disclosures to be made on the interim consolidated financial statements.

Prepared by	Verified by	Approved by
Doan Thi Trang Lien	Hoang Quang Dung	
Accountant	Director of Finance	Deputy General Director

Nghe An, Vietnam, ..20th.. January, 2025

PHÓ TỔNG GIÁM ĐỐC
Lê Ngọc Hồng Nhật