

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

VIETNAM-ASIA COMMERCIAL JOINT STOCK BANK
for the period from 01 January 2021 to 30 June 2021
(Reviewed)



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GENERAL INFORMATION

THE BANK

Vietnam-Asia Commercial Joint Stock Bank (the "Bank") is a joint stock commercial bank established in Socialist Republic of Vietnam. The Bank was established under Decision No. 440/QĐ-NHNN dated 09 May 2003 by the Governor of the State Bank of Vietnam ("SBV") and Banking License No. 12/NH-GP dated 09 May 2003. As at 31 May 2019, SBV issued Banking License No. 55/GP-NHNN to replace Banking License No. 12/NH-GP dated 09 May 2003.

The Bank's Head Office is located on 4th and 5th floor, Samsora Premier Building, No. 105 Chu Van An street, Yet Kieu ward, Ha Dong district, Hanoi.

BOARD OF DIRECTORS

Members of Board of Directors during the period and at the reporting date are:

Mr. Phuong Huu Viet	Chairman	
Mr. Phan Van Toi	Vice Chairman	
Mr. Tran Tien Dung	Member	
Ms. Phuong Minh Hue	Member	(Resigned on 24 April 2021)
Mr. Nguyen Hong Hai	Member	
Mr. Nguyen Van Trong	Member	(Appointed on 24 April 2021)
Mr. Phuong Thanh Long	Member	(Appointed on 24 April 2021)

SUPERVISORY BOARD

Members of Supervisory Board during the period and at the reporting date are:

Ms. Nguyen Kim Phuong	Chief Supervisor
Ms. Nguyen Thi Hoan	Member
Mr. Hoang Vu Tung	Member

BOARD OF MANAGEMENT AND CHIEF ACCOUNTANT

Members of Board of Management and Chief Accountant during the period and at the reporting date are:

Mr. Nguyen Van Trong	Deputy General Director - Managing Director
Mr. Pham Linh	Deputy General Director
Mr. Tran Tien Dung	Deputy General Director
Mr. Le Minh Huan	Deputy General Director
Mr. Cu Anh Tuan	Deputy General Director
Mr. Phuong Thanh Long	Deputy General Director
Mr. Nguyen Thanh Cong	Deputy Director in charge of Finance Department

LEGAL REPRESENTATIVE

The legal representative of the Bank during the period and at the reporting date is Mr. Phuong Huu Viet, Chairman.

Mr. Nguyen Van Trong, Deputy CEO, was authorized to approve the accompanying Interim Consolidated Financial Statements of the Bank in accordance with Authorization letter No. 173/2020/UQ-CT.HDQT dated 30 June 2020 of the Chairman of the Board of Directors of Vietnam-Asia Commercial Joint Stock Bank.

AUDITORS

The auditors of the AASC Auditing Firm Company Limited have taken the review of the Interim Consolidated Financial Statements for the Bank.

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of the Bank presents its report and the Bank's Interim Consolidated Financial Statements for the period from 01 January 2021 to 30 June 2021.

Board of Management' responsibility for the Interim Consolidated Financial Statements

The Board of Management is responsible for the Interim Consolidated Financial Statements which give a true and fair view of the consolidated financial position of the Bank, its consolidated operating result and its consolidated cash flows for the period. In preparing the Interim Consolidated Financial Statements, the Board of Management is required to:

- Establish and maintain an internal control system which is determined necessary by the Board of Management and those charged with governance to ensure the preparation and presentation of the Interim Consolidated Financial Statements do not contain any material misstatement caused by errors or frauds;
- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Interim Consolidated Financial Statements;
- Prepare and present the Interim Consolidated Financial Statements on the basis of compliance with Vietnamese Accounting Standards, Accounting System applicable to credit institutions in Vietnam and the statutory requirements relevant to preparation and presentation of interim consolidated financial statements;
- Prepare the Interim Consolidated Financial Statements on going concern basis unless it is inappropriate to presume that the Bank will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclosed, with reasonable accuracy at any time, the consolidated financial position of the Bank and for ensuring that the accounting records comply with the registered accounting system. It is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

Approval of the Interim Consolidated Financial Statements

We here by approve the accompanying the Interim Consolidated Financial Statements as set out on pages 6 to 51 which give a true and fair view of the consolidated financial position of the Bank as at 30 June 2021, its consolidated operating results and its consolidated cash flows for the 6 months period then ended, in accordance with Vietnamese Accounting Standards, Accounting System applicable to credit institutions in Vietnam and the statutory requirements relevant to preparation and presentation of interim consolidated financial statements.

For and on behalf of the Board of Management



Nguyễn Văn Trọng

Deputy General Director - Managing Director

Hanoi, 12 August 2021

No. : 120821.034/BCTC.KT1

INTERIM FINANCIAL INFORMATION REVIEW REPORT

**To: The Shareholders, the Board of Directors and Board of Management
Vietnam-Asia Commercial Joint Stock Bank**

We have reviewed the accompanying Interim Consolidated Financial Statements of Vietnam-Asia Commercial Joint Stock Bank prepared on 12 August 2021, as set out on pages 6 to 51 including: Interim Consolidated Balance Sheet as at 30 June 2021, Interim Consolidated Income Statement, Interim Consolidated Cash Flow Statement for the 6 months period then ended and Notes to the Interim Consolidated Financial Statements.

Board of Management's responsibility

The Board of Management is responsible for the preparation and presentation of these Interim Consolidated Financial Statements that give a true and fair view in accordance with the Vietnamese Accounting Standards, Accounting System applicable to credit institutions in Vietnam and the statutory requirements relevant to preparation and presentation of the interim consolidated financial statements, and for such internal control that the Board of Management determines as necessary to enable the preparation and presentation of the Interim Consolidated Financial Statements to be free from material misstatement, whether due to frauds or errors.

Auditor's responsibility

Our responsibility is to express a conclusion on the Interim Consolidated Financial Statements based on our review. We conducted our review in accordance with Vietnamese Standards on Review Engagements No. 2410 - Review of interim financial information performed by the Independent Auditor of the Entity.

A review of interim financial information consists of making inquiries, primarily of people responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying Interim Consolidated Financial Statements does not give a true and fair view, in all material respects, of the consolidated financial position of the Bank as at 30 June 2021, its consolidated operating results and its consolidated cash flows for the 6 months period then ended in accordance with the Vietnamese Accounting Standards, Accounting System applicable to credit institutions in Vietnam and the statutory requirements relevant to preparation and presentation of interim consolidated financial statements.

Other Matter

The Interim Consolidated Financial Statements for the 6 months period ended 30 June 2020 and the Consolidated Financial Statements for the year ended 31 December 2020 of the Bank were reviewed and audited by auditor and Auditing and Informatic Services Company Limited (AISC). Auditor expressed a conclusion and an unqualified opinion on those statements as at 10 September 2020 and as at 13 April 2021.

AISC Auditing Firm Company Limited



Phạm Anh Tuấn

Deputy General Director

Registered Auditor No.: 0777-2018-002-1

Hanoi, 12 August 2021

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2021

No	Items	Note	30/06/2021 VND	31/12/2020 VND
A	ASSETS			
I	Cash on hand, gold, silver and gemstones	3	314,499,297,895	295,746,112,695
II	Balances with the State Bank of Vietnam	4	1,829,069,585,210	2,200,651,682,348
III	Balances with and loans to other credit institutions	5	10,749,239,957,916	15,223,083,833,362
1	Balances with other credit institutions		10,749,239,957,916	15,223,083,833,362
V	Derivatives and other financial assets	6	2,204,207,968	5,554,449,516
VI	Loans to customers		50,720,866,137,146	47,808,005,549,421
1	Loans to customers	7	51,369,171,889,328	48,378,542,968,777
3	Provisions for loans to customers	8	(648,305,752,182)	(570,537,419,356)
VIII	Investment securities	9	8,822,855,872,724	12,399,950,665,898
1	Available-for-sale securities		7,735,650,790,519	11,216,122,161,812
2	Held-to-maturity securities		1,103,375,865,743	1,199,999,287,624
3	Provisions for losses of investment securities		(16,170,783,538)	(16,170,783,538)
IX	Long-term investments	10	113,873,630,000	113,873,630,000
4	Other long-term investments		113,873,630,000	113,873,630,000
X	Fixed assets		211,022,556,771	207,724,906,906
1.	Tangible fixed assets	11	76,853,494,661	72,773,496,212
a	Cost		305,818,035,544	295,165,480,544
b	Accumulated depreciation		(228,964,540,883)	(222,391,984,332)
3.	Intangible fixed assets	12	134,169,062,110	134,951,410,694
a	Cost		238,307,953,253	234,887,713,253
b	Accumulated amortization		(104,138,891,143)	(99,936,302,559)
XII	Other assets	13	10,261,284,206,044	8,274,759,023,315
1	Receivables		4,987,878,793,261	3,063,802,580,285
2	Accrued interest and fee receivables		3,474,221,734,378	3,453,802,454,335
4	Other assets		1,855,807,987,935	1,806,636,861,715
5	Provisions for losses of other on-balance sheet Assets		(56,624,309,530)	(49,482,873,020)
	TOTAL ASSETS		83,024,915,451,674	86,529,349,853,461

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2021

(Continued)

No	Items	Note	30/06/2021 VND	31/12/2020 VND
B	LIABILITIES AND SHAREHOLDERS' EQUITY			
II	Deposits and borrowings from other credit institutions	14	9,695,884,163,389	18,166,993,738,362
1	Deposits from other credit institutions		9,135,266,469,185	13,601,194,237,235
2	Borrowings from other credit institutions		560,617,694,204	4,565,799,501,127
III	Deposits from customers	15	64,547,364,674,283	59,271,859,700,279
VI	Valuable papers issued	16	768,386,783,467	1,357,635,398,735
VII	Other liabilities		1,971,984,091,698	2,008,933,360,113
1	Accrued interest and fee payables		1,514,531,271,997	1,602,620,402,642
3	Other payables and liabilities	17	457,452,819,701	406,312,957,471
	TOTAL LIABILITES		76,983,619,712,837	80,805,422,197,489
VIII	Shareholders' equity	18	6,041,295,738,837	5,723,927,655,972
1	Capital		4,449,747,740,351	4,449,747,740,351
a	Charter capital		4,449,635,670,000	4,449,635,670,000
c	Share premium		98,600,000	98,600,000
g	Others		13,470,351	13,470,351
2	Reserves		276,854,471,680	276,854,471,680
3	Exchange rate differences		709,030,487	-
5	Retained earnings		1,313,984,496,319	997,325,443,941
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		83,024,915,451,674	86,529,349,853,461

INTERIM CONSOLIDATED BALANCE SHEET

As at 30 June 2021

(Continued)

OFF-INTERIM CONSOLIDATED BALANCE SHEET ITEMS

No	Items	Note	30/06/2021 VND	31/12/2020 VND
1	Credit guarantees		300,000,000,000	300,000,000,000
2	Exchange transaction commitments		5,980,970,585,750	3,162,645,000,000
a	Purchasing transaction		54,839,583,250	-
b	Selling transaction		54,756,002,500	-
c	Swap transaction		5,871,375,000,000	3,162,645,000,000
4	Letters of credit		300,412,162,446	382,891,507,294
5	Other guarantees		382,281,791,680	684,886,456,296

Hanoi, 12 August 2021

Preparer

Deputy Director in charge of
Finance Department

Deputy General Director -
Managing Director



Nguyen Huu Cuong



Nguyen Thanh Cong




Nguyen Van Trong

INTERIM CONSOLIDATED INCOME STATEMENT

The period from 01 January 2021 to 30 June 2021

No	Items	Note	First 6 months of 2021	First 6 months of 2020
			VND	VND
1	Interest and similar income	19	2,636,565,738,488	2,821,106,654,499
2	Interest and similar expenses	20	(1,997,138,212,060)	(2,243,507,755,619)
I	Net interest income		639,427,526,428	577,598,898,880
3	Fee and commission income		31,583,522,611	19,826,616,064
4	Fee and commission expenses		(14,484,734,862)	(24,068,356,607)
II	Net gain/(loss) from fee and commission	21	17,098,787,749	(4,241,740,543)
III	Net gain/(loss) from foreign currency trading	22	(172,306,496)	15,815,277,941
IV	Net gain/(loss) from trading securities	23	37,113,443,273	(20,018,690)
V	Net gain from investment securities	24	23,757,239,983	17,345,463,208
5	Other operating income		83,738,960,913	50,400,338,192
6	Other operating expenses		(681,887,271)	(587,753,925)
VI	Net other operating income	25	83,057,073,642	49,812,584,267
VII	Income from capital contribution, equity investments	26	150,000,000	-
VIII	Operating expenses	27	(319,796,880,545)	(298,995,225,850)
IX	Net profit before provision for credit losses		480,634,884,034	357,315,239,213
X	Provision for credit losses	28	(84,909,769,336)	(208,481,011,849)
XI	Total profit before tax		395,725,114,698	148,834,227,364
7	Current corporate income tax expenses		(79,066,062,320)	(30,337,990,382)
XII	Corporate income tax expense	29	(79,066,062,320)	(30,337,990,382)
XIII	Net profit after tax		316,659,052,378	118,496,236,982
XVI	Basic earnings per share (VND)	18.2	712	339

Hanoi, 12 August 2021

Preparer

Deputy Director in charge of
Finance Department

Deputy General Director -
Managing Director



Nguyen Huu Cuong



Nguyen Thanh Cong



Nguyen Van Trong

INTERIM CONSOLIDATED CASH FLOW STATEMENT

The period from 01 January 2021 to 30 June 2021

(Direct method)

No	Items	Note	First 6 months of 2021 VND	First 6 months of 2020 VND
Cash flows from operating activities				
01	Interest and similar income received		2,616,146,458,445	2,126,628,945,476
02	Interest and similar expense paid		(2,085,227,342,705)	(1,990,290,539,517)
03	Fee and commission received		17,098,787,749	(4,241,740,543)
04	Net cash received/paid from operating activities (foreign currencies, silver, gold and securities)		60,698,376,760	33,140,722,459
05	Other income		34,846,396,870	(102,920,957,565)
06	Receipts from recovery of bad debts previously written off		48,210,676,772	-
07	Payments to employees and other operating activities		(309,021,735,410)	(288,059,412,876)
08	Corporate income tax paid		(63,471,787,444)	(39,365,778,372)
	Cash flows from operating profits before changes in operating assets and liabilities		319,279,831,037	(265,108,760,938)
Changes in operating assets				
09	(Increase)/Decrease in balances with and loans to other credit institutions		50,000,000,000	(1,700,000,000,000)
10	(Increase)/Decrease in trading securities		3,577,094,793,174	740,306,618,688
11	(Increase)/Decrease in derivatives and other financial assets		3,350,241,548	30,113,330,000
12	(Increase)/Decrease in loans to customers		(2,990,628,920,551)	(3,642,627,248,636)
14	(Increase)/Decrease in other operating assets		(1,973,247,339,196)	(984,729,684,465)
Changes in operating liabilities				
16	Increase/(Decrease) in deposits and borrowings from other credit institutions		(8,471,109,574,973)	(6,060,888,514,654)
17	Increase/(Decrease) in deposits from customers (Including from State Treasury of Vietnam)		5,275,504,974,004	6,085,334,631,716
18	Increase/(Decrease) in grants, trusted funds and other borrowings at risk of credit institutions		(589,248,615,268)	246,094,300,847
19	Increase/(Decrease) in grants, trusted funds and other borrowings at risk of credit institution		-	(2,431,067,000)
21	Increase/(Decrease) in other operating liabilities		36,246,587,354	1,220,554,715,116
22	Payment from reserves		(701,000,000)	-
I	Net cash flows from operating activities		(4,763,459,022,871)	(4,333,381,679,326)
Cash flows from investing activities				
01	Purchase of fixed assets		(14,072,795,000)	(8,257,760,900)
09	Dividends received from investment in securities and other entities		150,000,000	-
II	Net cash flows from investing activities		(13,922,795,000)	(8,257,760,900)
IV	Net increase in cash and cash equivalents		(4,777,381,817,871)	(4,341,639,440,226)

INTERIM CONSOLIDATED CASH FLOW STATEMENT

The period from 01 January 2021 to 30 June 2021

(Direct method)

No	Items	Note	First 6 months of 2021 VND	First 6 months of 2020 VND
V	Cash and cash equivalents at the beginning of the period		17,669,481,628,405	14,685,081,414,512
VI	Impact of foreign exchange fluctuation		709,030,487	7,556,783,032
VII	Cash and cash equivalents at the end of the period	30	<u>12,892,808,841,021</u>	<u>10,350,998,757,318</u>

Hanoi, 12 August 2021

Preparer



Nguyen Huu Cuong

Deputy Director in charge of
Finance Department



Nguyen Thanh Cong

Deputy General Director -
Managing Director



Nguyen Van Trong

NOTES TO THE INTERIM CONSOLIDATED FINANCIAL STATEMENTS

The period from 01 January 2021 to 30 June 2021

1 . CHARACTERISTICS OF OPERATION OF THE BANK

Establishment and Operation

Vietnam-Asia Commercial Joint Stock Bank (the "Bank") is a joint stock commercial bank established in Socialist Republic of Vietnam. The Bank was established under Decision No. 440/QĐ-NHNN dated 09 May 2003 by the Governor of the State Bank of Vietnam ("SBV") and Banking License No. 12/NH-GP dated 09 May 2003. As at 31 May 2019, SBV issued Banking License No. 55/GP-NHNN to replace Banking License No. 12/NH-GP dated 09 May 2003.

Business field

Main business activities of the Bank are:

- Mobilizing and receiving demand deposits, term deposits, savings deposits and other types of deposits;
- Providing credit in the following forms: loan, rediscount negotiable instruments and other valuable papers, bank guarantee, credit card issuance, domestic factoring;
- Participating in the monetary market: buying and selling negotiable instruments, Government bonds, Treasury bills, State Bank of Vietnam bills and others valuable papers in the monetary market;
- Buying and selling corporate bonds;
- Contributing capital, buying shares in accordance with the law;
- Execution of foreign currency transactions;
- Issuing deposit certificates to raise capital in accordance with the law;
- Borrow, lend, deposit and receive deposits of credit institutions, foreign bank branches, domestic and foreign financial institutions in accordance with the laws and guidelines of the State Bank of Vietnam;
- Providing payment services and other banking services permitted by the State Bank of Vietnam.

Charter capital

As at 30 June 2021, the Bank's charter capital was VND 4,449,635,670.000 (Four thousand four hundred forty-nine billion six hundred thirty-five million six hundred and seventy thousand VN dong).

Operation network

The Bank's Head Office is located on 4th and 5th floor, Samsora Premier Building, No. 105 Chu Van An street, Yet Kieu ward, Ha Dong district, Hanoi. As at 30 June 2021, the Bank has one (01) Head Office, twenty-four (24) branches nationwide, seventy-three (73) transaction departments and one (01) local subsidiary.

Group structure

The Bank's subsidiary have been consolidated into the Interim Consolidated Financial Statements as at 30 June 2021 includes:

Subsidiary	Business field	Rate of ownership
Asset Exploitation and Debt Management One Member Company Limited - Vietnam-Asia Commercial Joint Stock Bank (AMC)	Debt management and asset exploitation	100.00%

Employees

As at 30 June 2021, the Bank and its subsidiary have 1,457 employees (as at 31 December 2020: 1,443 employees).

2 . SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

2.1 . Fiscal year and monetary unit

The Bank's annual accounting period commences from 01 January and ends as at 31 December.
Monetary unit used in accounting is Vietnamese Dong (VND).

2.2 . Accounting standards and accounting system

Declaration of compliance with Accounting standards and Accounting system

The Bank has applied the Vietnamese accounting standards and the guidelines of Standards issued by the State.

The Interim Consolidated Financial Statements are prepared and presented in accordance with the Vietnamese Accounting standards, Accounting system for Vietnamese credit institutions under Decision No. 479/2004/QD-NHNN dated 29 April 2004 by the Governor of the State Bank of Vietnam, amended and supplemented by Circular No. 10/2014/TT-NHNN dated 20 March 2014; System of financial statements for Vietnamese credit institutions under Decision No. 16/2007/QD-NHNN dated 18 April 2007 by the Governor of the State Bank of Vietnam; Circular No. 49/2014/TT-NHNN dated 31 December 2014 by the State Bank of Vietnam amending and supplementing some articles of Decision No. 16/2007/QD-NHNN and Decision No. 479/2004/QD-NHNN; Circular No. 22/2017/TT-NHNN dated 29 December 2017 by State Bank of Vietnam amending and supplementing some articles of Decision No. 479/2004/QD-NHNN and Decision No. 16/2007/QD-NHNN; and Circular No. 202/2014/TT-BTC dated 22 December 2014 by the Ministry of Finance guiding the preparation and presentation of consolidated financial statements.

2.3 . Basis for consolidation of financial statements

The Interim Consolidated Financial Statements are prepared based upon consolidating the Interim Separate Financial Statements of the Bank and its subsidiary under its control as at 30 June 2021. Control is acquired when the Bank has power to govern the financial and operating policies of invested company to obtain benefits from their activities.

The Financial Statements of subsidiary are prepared for the same period as the Bank, using consistent accounting policies. If necessary, the Financial Statements of subsidiary may be adjusted to ensure the consistence between accounting policies applied at the Bank and its subsidiary.

Balance, main income and expense, including unrealized profits from intra-group transactions are eliminated in full from consolidated financial statements.

2.4 . The basis of judgement and use of accounting estimates

The preparation of the Interim Consolidated Financial Statements requires the Board of Management 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 of a variety in degrees of subjectivity and uncertainty. Therefore, the actual results may lead to the adjustments of such provisions in the future.

Going concern

The Board of Management of the Bank has assessed the ability to continue as a going concern of the Bank and noted that the Bank has sufficient resources to continue its business in a definite future. In addition, the Board of Management is not aware of any material uncertainties that may affect the ability to continue operations of the Bank as a going concern. Therefore, the Interim Consolidated Financial Statements are prepared on the going concern assumption.

2.5 . Foreign currency transactions

All transactions of the Bank are accounted in their original currencies. Monetary assets and liabilities denominated in foreign currencies are converted into VND at the average exchange rate for spot selling and buying of such foreign currency ("spot exchange rate") at the last working day of the accounting period if the spot exchange rate is less than 1% of the weighted average selling and buying rate in the last working day of the same period; converted into VND at the weighted average buying and selling rate in the last working day if the spot exchange rate is equal to or higher than 1% of the weighted average buying and selling rate in the last working day of the same period. Non-monetary foreign currency items incurred during the period are converted into VND at the exchange rate effective on the date of the transaction. Income and expenses in foreign currencies are converted into VND at the exchange rates on the dates of the transactions.

Exchange rate differences due to the revaluation of assets and liabilities denominated in foreign currencies into VND are recorded in Interim Consolidated Income Statement.

2.6 . Deposits with and loans to other credit institutions

Deposits with other credit institutions, except for current deposits, are term deposits at other credit institutions and foreign bank branches with terms of not exceeding three months.

Loans to other credit institutions are loans with original terms of not exceeding twelve months.

Current deposits at other credit institutions are stated at the outstanding principal balance.

Term deposits and loans to other credit institutions are stated at the outstanding principal balance less any specific provision for credit risks.

Credit risk classification of term deposits with and loans to other credit institutions and provision for credit risk thereof is made in accordance with Circular No. 02/2013/TT-NHNN dated 21 January 2013 of the State Bank of Vietnam on classification of assets, levels and method of provision making, and use of provision against credit risks in banking activities of credit institutions and foreign banks' branches ("Circular 02") and Circular No. 09/2014/TT-NHNN dated 18 March 2014 of the State Bank of Vietnam on amending and supplementing a number of articles of Circular 02 ("Circular 09"). Accordingly, the Bank has made specific provision for term deposits with and loans to other credit institutions in accordance with the method described in Note 2.7.

According to Circular 02, the Bank is not required to make general provision for balances with and loans to other credit institutions.

2.7 . Loans to customers

Outstanding loans to customers

Loans are stated on the Interim Consolidated Balance Sheet at the principal amounts outstanding at the end of the period.

Provision for loan of customers is recorded and stated in separate line in the Interim Consolidated Balance Sheet.

Short-term loans are those with a repayment date of up to 1 year, medium-term loans are those with a repayment date within from 1 year to 5 years and long-term loans are those with a repayment date of over 5 years.

According to Circular 02 and Circular 09, loans to customers are classified according to level of risk as follows: *Current, Special mention, Sub-standard, Doubtful and Loss* based on overdue status and other qualitative factors of the loans.

According to Circular No. 01/2020/TT-NHNN dated 13 March 2020 of the State Bank of Vietnam ("Circular 01") providing instructions for credit institutions and foreign branch banks on debt rescheduling, exemption or reduction of interest and fees, retention of debt category to assist borrowers affected by Covid-19 pandemic, amended and supplemented by Circular No. 03/2021/TT-NHNN dated 02 April 2021 ("Circular 01"), the Bank is allowed to reschedule the repayment period and keep the same debt group before the restructuring time for debts incurred before 23 January 2020 and from 23 January 2020 to before 10 June 2020 meeting the requirements of Circular 01 and Circular 03.

In addition, according to Circular No. 10/2014/TT-NHNN of the State Bank of Vietnam dated 20 March 2014, loans to customers are also classified: *current loans and overdue loans* based on the overdue status according to the credit covenants in the contract or in the extension or reschedule annex.

Provision for credit losses

Provision for credit losses includes specific provision and general provision which is calculated quarterly. Only quarter 4's provision is recorded in December based on loans outstanding as at 30 November annually.

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

Group	Categories	Specific provision rate
1	Current	0%
2	Special mention	5%
3	Sub-standard	20%
4	Doubtful	50%
5	Loss	100%

General provision is made at 0.75% of the total amount of outstanding balance of loans classified in the group from 1 to 4 on a quarterly basis, the fourth quarter was made on 30 November annually.

Bad debts written-off

According to Circular 02, the Bank uses provisions to write off bad debts in the following cases:

- Borrowers have declared bankruptcy or liquidation (for legal entities/corporate); or borrowers died or are missing (for individuals);
- Debts are classified in group 5.

2.8 . Investment in securities

a) Trading securities

Trading securities are debt securities, equity securities or other securities, which are bought and held for the purpose of reselling within one year to gain profit from price variance. According to Official Dispatch No. 2601/NHNN-TCKT issued by the State Bank of Vietnam dated 14 April 2009, for trading securities item, the Bank has the right to reclassify only once after purchasing.

Trading securities are initially recognized at original cost. They are subsequently measured at the lower between book value and market value.

Income from trading securities is recognized into the Interim Consolidated Income Statement on cash basis.

b) Investment securities

Investment securities are classified into two categories: available-for-sale investment securities and held-to-maturity investment securities. The Bank classifies investment securities at the time of purchasing. According to Official Dispatch No. 2601/NHNN-TCKT issued by the State Bank of Vietnam dated 14 April 2009, for investment securities, the Bank has the right to reclassify only once after purchasing.

Available-for-sale securities

Available-for-sale securities are debt securities, equity securities or other securities held for investment and available for sale purpose, not regularly tracked but can be sold when there is a benefit. For equity securities, the invested entities are not subsidiaries, associates, joint ventures of the Bank and the Bank is neither founding shareholders, strategic shareholders, nor has certain influence to participate in the financial and operating policies making process through a written agreement on delegating its representatives in the Board of Directors/ Board of Management.

Available-for-sale equity securities are recognized at the original cost. They are subsequently measured at the lower between book value and market value.

Available-for-sale debt securities are recognized at par value plus (+) accrued interest income/interest awaiting for allocation plus (+) unallocated discount/premium. Discount/premium from trading debt securities is amortised on a straight-line basis till the maturity date to the Interim Consolidated Income Statement. Accumulative interest income before purchasing date is recorded as a decrease in value of such securities, accumulative interest income after purchasing date is recognized as Bank's income based on the accumulative method. Interest received in advance is amortized as interest income from investment securities over the investment period using the straight-line method.

Held-to-maturity securities

Held-to-maturity securities are debt securities which have a fixed term for the purpose of investment by earning interest and the Board of Management has intention and ability to hold the securities until maturity.

Held-to-maturity debt securities are recognized at par value plus (+) accrued interest income/ interest awaiting for allocation plus (+) unallocated discount/premium. Discount/premium is amortised on a straight-line basis till the maturity date to the Interim Consolidated Income Statement. Accumulative interest income before purchasing date is recorded as a decrease in value of such securities, accumulative interest income after purchasing date is recognized as Bank's income based on the accumulative method. Interest received in advance is amortized as interest income from investment securities over the investment period using the straight-line method.

c) Long-term investments

Other long-term investments represent capital investments in other unlisted entities on the stock market that have the holding, withdrawal or payment period of more than 1 year and the Bank is either the founding shareholder or a strategic partner or a certain counterparty to dominate in the process of making and deciding the financial and operating policies of the investees unit through a written agreement on delegating its representative in the Board of Directors/Board of Management. Other long-term investments are initially recognized at cost, then the value of these investments is measured at original cost less provision for impairment of the investments.

d) Provision for investments

Provision for trading securities and investment securities

Trading securities and investment securities are considered for impairment at the reporting date.

Provision for impairment of securities shall be made when the book value is higher than the market value determined according to Circular No. 48/2019/TT-BTC dated 08 August 2019 by the Ministry of Finance as follows:

- For listed securities on stock exchange, the market price will be determined as closing price on the day latest transactions up to the time of making Interim Consolidated Financial Statements;
- For unlisted securities, the actual market price is:
 - For companies registered to trade on unlisted public companies (UPCom), the actual stock price on the market is determined as the average reference price in 30 trading days nearest to the time of preparing Interim Consolidated Financial Statements published by Stock Exchange.
 - For companies that have not registered for trading in the public companies' trading market, the level of provision for each investment is based on the Separate Financial statements of economic organizations receiving capital contribution that prepared at the same time of Bank's Consolidated Financial Statements.
- In cases where securities have been listed on the market or stocks have been registered for trading on unlisted public companies' trading market but have not been traded within 30 days before the date of setting up the reserve; For securities that are delisted, suspended, or suspended, the level of provision for each investment shall be calculated based on the separate financial statements of economic organizations receiving capital contribution that prepared at the same time of Bank's Consolidated Financial Statements.

For corporate bonds unlisted on stock market or unregistered for trading on Unlisted Public Company Market (UPCom), the Bank makes provisions for losses under the regulations of Circular No. 02 and Circular No. 09 mentioned in Note No. 2.7.

Provisions for trading securities and investment securities are recorded into the Interim Consolidated Income Statement.

Provision for other long-term investments

Provision for impairment of the capital contributions and other long-term investments is made according to Circular No. 48/2019/TT-BTC dated 08 August 2019.

The amount of provision is the difference between the actual capital contribution of parties at an entity and the actual capital equity on the latest separate financial statements of the entity at the end of the period date multiply (x) by the rate of the Bank's capital investment over the total actual capital contributions. Provision for impairment of long-term investments is recorded as an operating expense in the Interim Consolidated Income Statement.

2.9 . Repurchase and reverse repurchase agreements

Securities sold under the agreements to repurchase at a specific date in the future (repos) are still recognized on the Interim Consolidated Financial Statements. The corresponding amount of cash received from these agreements is recognized on the Interim Consolidated Balance Sheet as a borrowing. The difference between the sale price and repurchase price is amortized into the Interim Consolidated Income Statement over the effective period based on the interest rate stated in the agreements using the straight-line basis.

Securities purchased under the agreements to resell at a specific date in the future are not recognized in the Interim Consolidated Financial Statements. The corresponding amount of cash paid under these agreements is recognized in the Interim Consolidated Balance Sheet as a receivable. The difference between the purchase price and resale price is amortized into the Interim Consolidated Income Statement over the effective period based on the interest rate stated in the agreements by using a straight-line basis.

2.10 . Fixed assets

Tangible fixed assets and intangible fixed assets are initial stated at historical cost. During the using time, they are stated at historical cost, accumulated depreciation/amortization and net book value. Historical cost comprises all the expenses that the Bank must spend to bring the assets to working condition for its intended use.

Depreciation/amortization is computed on a straight-line basis to write off the cost during the estimated useful life as follows:

- Buildings, structures	10 - 50 years
- Machinery, equipment	03 - 08 years
- Transportation equipment	05 - 10 years
- Other tangible fixed assets	03 - 10 years
- Computer software	03 - 05 years

Permanent land use rights are recorded at historical cost and are not amortized.

2.11 . Operating lease

Operating leases is fixed asset leasing in which a significant portion of the risks and rewards of ownership are retained by the lessor. Payments made under operating leases are charged to Interim Consolidated Income Statement on a straight-line basis over the period of the lease.

2.12 . Other receivables

Other receivables are recognized at cost.

Provision for receivables other than receivables from credit activities are made based on the overdue status of receivables or estimated possible loss for receivables which are not yet overdue but is unlikely to be recovered on time. Provisions rates are in accordance with Circular No. 48/2019/TT-BTC dated 08 August 2019.

For receivables which are classified as assets having credit risk, the Bank perform to classify and makes provision as same as loans to customers (See Note No. 2.7).

2.13 . Business combination and goodwill

Business combination is accounted for using the purchase price method. Cost for the business combination including fair value at the exchange date of assets, assumed liabilities, and equity instruments issued by acquirer to exchange for control rights together with associated costs directly attributable to the businesses combination. Assets, assumed liabilities and contingent liabilities incurred during the integration are recognized at fair value at the consolidation date.

2.14 . Deposits and borrowings from other credit institutions

Deposits and borrowings from other credit institutions are recognized at cost.

2.15 . Deposits from customers

Deposits from customers are recognized at cost.

2.16 . Valuable papers issued

Valuable papers issued are recognized at cost and accumulated amortised premiums or discounts. Cost of valuable papers issued includes the proceed from the issuance less directly attributable costs.

2.17 . Severance allowance

Under the Vietnamese Labor Code, employees who have worked for the Bank for 12 months or more voluntarily terminate their labor contracts, the employer must pay the eligible employees severance allowance calculated based on the number of working years up to 2008 and employee's average monthly salary of the latest six-month period until termination. According to Circular No. 180/2012/TT-BTC dated 24 October 2012, the Bank makes severance allowance and records as operating expenses in the period.

2.18 . Shareholders' equity

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

The difference between the issuance price and the par value of the shares is recorded as share premium in equity.

Retained earnings are used to present the Bank's operating results (profit, loss) after corporate income tax and profit appropriation or loss handling of the Bank. The distribution of net profits is made when the net profit of the Bank does not exceed the net profit presented on Consolidated Financial Statements after eliminating the profits from cheap purchase. Net profit can be distributed to investors based on capital contribution rate after being approved by General Meeting of Shareholders and after being appropriated to funds in accordance with the Bank's Articles of Incorporation and Vietnamese statutory requirements.

Reserves: Reserves are appropriated from net profit after tax at prescribed rates in the order as below:

- Supplementary charter capital reserve: 5% of net profit after tax each year until reaching as much as 100% of the current capital. The reserve for supplementary charter capital will be transferred to charter capital after having approval from the State Bank of Vietnam;
- Financial reserve: 10% of net profit after tax;
- Investment and development funds, bonus and welfare funds and other reserves: are to be made upon the decisions of the Annual General Shareholders' Meeting in accordance with relevant statutory requirements.

Dividend paid to shareholders is stated in the Interim Consolidated Balance Sheet of the Bank as a payable after being announced by the Annual General Meeting of the Bank.

2.19 . Income and expenses

Interest income

Interest income is recognized on an accrual basis, except for interest on loans classified from Group 2 to Group 5 are recognized in the Interim Consolidated Income Statements upon actual receipt.

Interest expense

Interest expenses are recognized in the Interim Consolidated Income Statement based on accrual basis.

Fees, commissions and dividend income

Fees and commissions are recognized on an accrual basis.

Cash dividends from investment activities are recognized in the Interim Consolidated Income Statement when the Bank's right to receive payment is established. Dividends and other receipts in the form of shares are not recognized into the Interim Consolidated Income Statement but only recorded as an increase in the number of shares held by the Bank instead.

2.20 . Corporate income taxes

Current corporate income tax expenses

Current corporate income tax expenses are determined based on taxable income during period and current corporate income tax rate.

The Bank's tax return are subject to examination by the tax authorities. Because the application of tax laws and regulations on 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.

Current corporate income tax rate

The Bank is currently subject to corporate income tax of 20% for the period from 01 January 2021 to 30 June 2021.

2.21 . Off-balance sheet items

Foreign exchange contracts

The Bank enters into foreign exchange forward and swap contracts which enable customers to transfer, modify or reduce their foreign exchange risk or other market risks and also are used for the Bank's business purpose.

Forward contracts are commitments to either purchase or sell a designated currency at a specific future date for a specific exchange rate and cash settlement. Forward contracts are recorded at nominal values at transaction dates, and are subsequently revaluated at the end of the accounting period. The difference on revaluation is recognized under "Foreign exchange differences" in the equity and is recorded in the Consolidated Income Statement at the end of the year.

Currency swap contracts are commitments to settle in cash at a future date based on differences between specified exchange rates, calculated on the notional principal amount.

Interest swap contracts

Interest swap contracts are commitments to settle in cash the notional principal amounts at the interest amount based on floating or fixed interest rates. The value of commitment in interest rate swap contracts is not recognised on the consolidated interim balance sheet. The difference of swap interest rates is recognised in the Interim Consolidated Income Statement of income on an accrual basis.

Commitments and contingent liabilities

The Bank has credit commitments arising from its regular lending activities. These commitments are unutilised loans and overdraft facilities which are approved. The Bank also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Many of the contingent liabilities and commitments will expire without any advanced payment, in whole or in part. Therefore, these commitments and contingent liabilities do not represent expected future cash flows.

According to Circular 02 and Circular 09, the Bank, for management purpose has to classify guarantees, payment acceptances and irrevocable lending commitments with specific effective date into 5 groups, similar to loans to customers (Note No. 2.7).

2.22 . Cash and cash equivalents

Cash and cash equivalents comprise cash, balances with the State Bank of Vietnam, demand deposits and term deposits at other credit institutions with maturity of not over than three (03) months from the deposit date and securities with maturity of not over than three (03) months from the end of the period, which has high liquidity and are readily convertible into known amount of cash with low risk.

2.23 . Offsetting

Financial assets and liabilities are offset and the net amounts are reported in the Interim Consolidated Balance Sheet if, and only if, the Bank has currently enforceable legal rights to offset the recognized amounts and the Bank has an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

2.24 . Financial instruments

During its business operation, the Bank regularly enters into contracts that give rise to financial assets, financial liabilities and equity instruments.

The main financial assets of the Bank include cash on hand, balances with the State Bank of Vietnam, balances with and loans to other credit institutions, loans to customers, trading securities, investment securities, other long-term investments, financial derivative assets and other financial assets.

Financial assets are classified adequately, for the purpose of disclosure in Notes to the Interim Consolidated Financial Statements into one of the following categories:

- Financial assets held for trading;
- Held-to-maturity investments;
- Loans and receivables;
- Available-for-sale financial assets.

Financial liabilities of the Bank mainly include deposits and borrowings from other credit institutions, deposits from customers, issued valuable papers, financial derivative liabilities and other liabilities.

Financial liabilities are classified adequately, for the purpose of disclosure in Notes to the Interim Consolidated Financial Statements into one of the following categories:

- Financial liabilities held for trading;
- Financial liabilities determined at allocated value.

The classification of the financial instruments above is only for the purpose of presentation and disclosure, not for the purpose of describing the method of measuring the value of financial instruments. Accounting regulations on measuring the value of financial instruments are presented in relevant Notes to the Interim Consolidated Financial Statements.

Initial recognition

Currently, there are no regulations on revaluation of financial instruments after initial recognition.

2.25 . Earnings per share

Basic earnings per share are calculated by dividing net profit or loss after tax for the period attributable to ordinary shareholders of the Bank (after adjusting for the bonus and welfare fund and allowance for Board of Directors) by the weighted average number of ordinary shares outstanding during the period.

2.26 . Related parties

The parties considered related to the Bank are organizations, individuals having direct or indirect relationship with other organizations and individuals in one of the following cases:

- Subsidiary of the Bank;
- The company has the same parent company or the same parent credit institution;
- Managers, members of the Supervisory Board of the parent company or of the parent credit institution of the Bank;
- Individuals or organizations which have authority to appoint managers or members of the Supervisory Board of the parent company or the parent credit institution of the Bank;
- Managers, members of the Supervisory Board of the Bank;
- Companies, organizations which have authority to appoint managers, members of the Supervisory Board of the Bank;
- Wife, husband, parents, children (including foster parents, foster children, parents-in-law, son-in-law, daughter-in-law, stepparent, stepchildren), siblings (including half brothers, half sisters), brothers-in-law, sisters-in-law of managers, members of the Supervisory Board, a contributing member or a shareholder owning 5% of the charter capital or voting share of the Bank;
- Organizations and individuals owning 5% of charter capital or voting share of the Bank;
- Individuals authorized to represent the Bank's paid-in capital and shares.

In considering the relationship of related parties for preparing and presenting the Interim Consolidated Financial Statements, the Bank should also consider the nature, not only the legal form of the relationship.

2.27 . Segment information

A segment is a distinguishable component of the Bank that is engaged in providing an individual or group of related products or services (business segment), or providing products or services within a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from other components.

Segment information should be prepared in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Bank in order to help users of financial statements better understand and make more informed judgements about the Bank as a whole.

3 . Cash on hand, gold, silver and gemstones

	30/06/2021	31/12/2020
	VND	VND
Cash in VND	223,309,889,300	224,028,184,300
Cash in foreign currencies	48,628,694,795	34,017,738,395
Gold	42,459,677,700	37,601,135,000
Other precious metals and gemstones	101,036,100	99,055,000
	<u>314,499,297,895</u>	<u>295,746,112,695</u>

4 . Balances with the State Bank of Vietnam

	30/06/2021	31/12/2020
	VND	VND
Current account at the State Bank of Vietnam	1,829,069,585,210	2,200,651,682,348
- In VND	1,822,648,695,099	2,176,026,570,497
- In foreign currencies	6,420,890,111	24,625,111,851
	1,829,069,585,210	2,200,651,682,348

5 . Balances with other credit institutions

	30/06/2021	31/12/2020
	VND	VND
Current accounts	273,271,957,916	399,791,833,362
- In VND	76,811,907,822	100,900,527,014
- In foreign currencies	196,460,050,094	298,891,306,348
Term deposits	10,475,968,000,000	14,823,292,000,000
- In VND	9,739,168,000,000	11,868,412,000,000
- In foreign currencies	736,800,000,000	2,954,880,000,000
	10,749,239,957,916	15,223,083,833,362

Quality analysis of term deposits at other credit institutions:

	30/06/2021	31/12/2020
	VND	VND
Current	10,475,968,000,000	14,823,292,000,000
	10,475,968,000,000	14,823,292,000,000

6 . Derivatives and other financial assets

	Total contract value (at exchange rate as at effective date)	Total net carrying value (at exchange rates as at the reporting date)	
	VND	Assets	Liabilities
		VND	VND
As at 30 June 2021	6,123,096,044,826	3,008,557,968	804,350,000
<i>Currency derivatives</i>	<i>6,123,096,044,826</i>	<i>3,008,557,968</i>	<i>804,350,000</i>
- Forward contracts	701,368,994,826	3,008,557,968	-
- Swap contracts	5,421,727,050,000	-	804,350,000
As at 31 December 2020	3,245,606,914,429	5,554,449,516	-
<i>Currency derivatives</i>	<i>3,245,606,914,429</i>	<i>5,554,449,516</i>	<i>-</i>
- Forward contracts	769,052,534,429	2,381,309,516	-
- Swap contracts	2,476,554,380,000	3,173,140,000	-

7 . Loans to customers

	30/06/2021	31/12/2020
	VND	VND
Loans to local economic entities and individuals	51,321,063,914,828	48,333,861,951,277
Discounted promissory notes and valuable papers	48,107,974,500	44,681,017,500
	51,369,171,889,328	48,378,542,968,777

Analysis of loans by quality

	30/06/2021	31/12/2020
	VND	VND
Current	49,508,949,115,350	46,238,093,559,099
Special mention	801,565,181,178	1,028,608,227,687
Sub-standard	14,108,249,467	148,559,266,976
Doubtful	506,892,445,013	507,116,969,257
Loss	537,656,898,320	456,164,945,758
	51,369,171,889,328	48,378,542,968,777

Analysis of loans by terms

	30/06/2021	31/12/2020
	VND	VND
Short-term	33,152,291,062,879	30,705,515,694,548
Medium-term	12,017,268,146,819	11,252,340,560,021
Long-term	6,199,612,679,630	6,420,686,714,208
	51,369,171,889,328	48,378,542,968,777

Analysis of loans by type of borrowers and ownership

	30/06/2021	31/12/2020
	VND	VND
Limited companies	28,914,890,208,351	28,133,950,155,947
Joint stock companies	17,632,364,211,024	15,959,742,813,440
Individuals and others	4,821,917,469,953	4,284,849,999,390
	51,369,171,889,328	48,378,542,968,777

Analysis of loans by industry sectors		
	30/06/2021	31/12/2020
	VND	VND
Construction, Mining	9,862,247,852,527	7,588,857,933,697
Trade, production and processing	17,872,825,922,218	16,470,538,043,035
Warehousing, transportation and communications	272,957,062,440	167,180,977,872
Agricultural, forestry	76,308,636,629	74,103,890,876
Individuals and others	23,284,832,415,514	24,077,862,123,297
	51,369,171,889,328	48,378,542,968,777
8 . Provisions for loans to customers		
	30/06/2021	31/12/2020
	VND	VND
Specific provision	(273,419,683,474)	(221,578,434,496)
General provision	(374,886,068,708)	(348,958,984,860)
	(648,305,752,182)	(570,537,419,356)
Increase/decrease in provision for credit risks:		
	General provision	Specific provision
	VND	VND
<i>This period</i>		
Opening balance	(348,958,984,860)	(221,578,434,496)
Provision made during the period	(25,927,083,848)	(51,841,248,978)
Closing balance	(374,886,068,708)	(273,419,683,474)
<i>Previous period</i>		
Opening balance	(314,308,503,479)	(151,408,803,429)
Provision made during the period	(18,613,419,984)	(37,134,050,033)
Closing balance	(332,921,923,463)	(188,542,853,462)
9 . Investment securities		
9.1 . Available-for sale securities		
	30/06/2021	31/12/2020
	VND	VND
Debt securities	7,673,901,899,593	11,142,047,200,086
- Government bonds, local bonds	7,673,901,899,593	11,142,047,200,086
Equity securities	61,748,890,926	74,074,961,726
- Equity securities issued by local economic entities	61,748,890,926	74,074,961,726
Provision for losses of available-for-sale securities	(16,170,783,538)	(16,170,783,538)
- Provision for impairment	(16,170,783,538)	(16,170,783,538)
	7,719,480,006,981	11,199,951,378,274

9.2 . Held-to-maturity securities

	30/06/2021	31/12/2020
	VND	VND
Debt securities issued by local credit institutions	1,103,375,865,743	1,199,999,287,624
	1,103,375,865,743	1,199,999,287,624

10 . Long-term investments

	30/06/2021	31/12/2020
	VND	VND
Other long-term investments	113,873,630,000	113,873,630,000
	113,873,630,000	113,873,630,000

Detailed of other long-term investments:

Companies	30/06/2021		31/12/2020	
	Original cost	Holding rate	Original cost	Holding rate
	VND	%	VND	%
- The Ho Chi Minh City Credit Guarantee Fund For Small - Medium Enterprises	500,000,000	0,22	500,000,000	0,22
- International Trading Joint Stock Company (ITC)	904,720,000	10.00	904,720,000	10.00
- Saigon Jewelry Joint Stock Company (SJC)	672,000,000	8.00	672,000,000	8.00
- National Payment Corporation of Vietnam (Napas)	2,000,000,000	0,83	2,000,000,000	0,83
- Vinh Hao Mineral Water Joint Stock Company	15,565,380,000	4.23	15,565,380,000	4.23
- Saigon Technologies, Inc	8,867,910,000	6.50	8,867,910,000	6.50
- Lao Cai Chemical Industry & Investment Joint Stock Company	330,000,000	0,11	330,000,000	0,11
- Yenbai VPG Mineral Joint Stock Company	41,850,000,000	10.92	41,850,000,000	10.92
- Saigon Engineering Construction Investment Corporation (ECI SAIGON)	10,183,620,000	11.00	10,183,620,000	11.00
- Hung Vuong Insurance Joint Stock Company	33,000,000,000	11.00	33,000,000,000	11.00
	113,873,630,000		113,873,630,000	

11 . Tangible fixed assets

Increase and decrease of tangible fixed assets in the period

Items	Buildings, structures	Machinery, equipment	Transportation equipment	Others	Total
	VND	VND	VND	VND	VND
Historical Cost					
Opening balance	86,074,422,874	123,133,427,347	74,931,128,365	11,026,501,958	295,165,480,544
- Purchases in the period	42,735,000	9,106,020,000	1,200,000,000	303,800,000	10,652,555,000
Closing balance	86,117,157,874	132,239,447,347	76,131,128,365	11,330,301,958	305,818,035,544
Accumulated depreciation					
Opening balance	40,035,091,593	116,707,315,293	62,417,037,366	3,232,540,080	222,391,984,332
- Depreciation within the period	1,440,739,496	2,371,818,484	1,701,795,042	1,058,203,529	6,572,556,551
Closing balance	41,475,831,089	119,079,133,777	64,118,832,408	4,290,743,609	228,964,540,883
Net book value					
Opening balance	46,039,331,281	6,426,112,054	12,514,090,999	7,793,961,878	72,773,496,212
Closing balance	44,641,326,785	13,160,313,570	12,012,295,957	7,039,558,349	76,853,494,661

Cost of fully depreciated tangible fixed assets but still in use as at 30 June 2021: VND 177,832,466,650 (As at 31 December 2020: VND 170,016,564,090).



12 . Intangible fixed assets

Increase, decrease in intangible fixed assets during the period:

	Land use rights	Computer software	Others	Total
	VND	VND	VND	VND
Historical cost				
Opening balance	112,001,521,341	113,052,996,649	9,833,195,263	234,887,713,253
- Purchases in the period	-	-	3,420,240,000	3,420,240,000
Closing balance	112,001,521,341	113,052,996,649	13,253,435,263	238,307,953,253
Accumulated amortization				
Opening balance	-	95,456,796,345	4,479,506,214	99,936,302,559
- Amortization in the period	-	2,286,242,812	1,916,345,772	4,202,588,584
Closing balance	-	97,743,039,157	6,395,851,986	104,138,891,143
Net book value				
Opening balance	112,001,521,341	17,596,200,304	5,353,689,049	134,951,410,694
Closing balance	112,001,521,341	15,309,957,492	6,857,583,277	134,169,062,110

Cost of fully depreciated intangible fixed assets but still in use as at 30 June 2021: VND 97,144,942,812 (As at 31 December 2020: VND 97,144,942,812).

13 . Other assets

	30/06/2021	31/12/2020
	VND	VND
Receivables	4,987,878,793,261	3,063,802,580,285
Accrued interest and fee receivables	3,474,221,734,378	3,453,802,454,335
Other assets	1,855,807,987,935	1,806,636,861,715
Provision for losses of other on-balance sheet assets	(56,624,309,530)	(49,482,873,020)
	10,261,284,206,044	8,274,759,023,315

13.1 . Receivables

	30/06/2021	31/12/2020
	VND	VND
Margin deposits, mortgages and collaterals	21,129,134,875	17,163,334,575
Value added tax deducted	11,250,698,724	12,538,002,523
Receivables on interest support from the State Bank of Vietnam	901,829,156	901,829,156
Purchasing fixed assets	1,139,634,500	977,134,500
- Internal credit rating system	977,134,500	977,134,500
- E-Learning online training software	90,000,000	-
- Other purchases	72,500,000	-
Internal receivables	39,997,570,680	26,776,867,587
External receivables	4,913,459,925,326	3,005,445,411,944
- Receivables awaiting settlement regarding to affairs at Dong Do transaction department (i)	232,581,174,274	232,581,174,274
- Receivable of deposits to implement the Investment Cooperation Contract (ii)	2,400,000,000,000	420,000,000,000

	30/06/2021	31/12/2020
	VND	VND
- Receivables from organizations and individuals related to the sale of deferred debt (iii)	1,562,030,440,131	1,572,030,440,131
- Receivable of capital contribution for business cooperation contract (iv)	100,000,000,000	170,000,000,000
- Receivable of advance for business cooperation contract (v)	230,000,000,000	250,000,000,000
- Receivables of deposits for real estate purchasing contract	142,828,730,020	142,828,730,020
- Others	246,019,580,901	218,005,067,519
	4,987,878,793,261	3,063,802,580,285

- (i) In 2019, the bank temporarily transferred the loan amount for loans from customers related to credit activities at Dong Do Transaction Department into receivables awaiting settlement while waiting for the final conclusion of the Ha Noi Investigation Police Agency. Also, the savings deposit to secure the obligations for these loans is transferred to other payables and liabilities items (See note No. 17).
- (ii) This represents a deposit to implement the Investment Cooperation Contracts with a counterparty. Under these contracts, this counterparty would introduce, seek and consult for the Bank to purchase certificates of deposit and Government bonds on the secondary market that meet the contractual characteristics. These deposits are transferred to frozen account opened at the Bank. Up to 06 July 2021 and 07 July 2021, the Bank has recovered this deposit and terminated the cooperation contract because the counterparty could not find suitable products as agreed.
- (iii) This represents a receivable related to debt sale/purchase contracts (loans of the Bank) in the form of deferred payment signed between organizations, individuals and the Bank with a total contract value of VND 1,629,245 million. At the Interim Consolidated Financial Statements date, the customer has paid an amount of VND 67,215 million, the remaining balance should be recovered by the Bank under the contract.
- (iv) This represents a capital contribution related to Business Cooperation Contracts between AMC and a counterparty to implement the projects "Complex guesthouse-hotels, trade centers, apartments and office for rent" in Hanoi, AMC transferred VND 200,000 million to contribute to the project. According to the agreements signed between the two parties, the term of business cooperation is until 18 August 2022. At the Interim Consolidated Financial Statements date, the Counterparty has paid VND 100,000 million.
- (v) This represents an advanced related to Business Cooperation Contracts between AMC and a counterparty as presents in note (iv) above. AMC has advanced to the counterparty with a total amount of VND 250,000 million. The payment term is until 18 August 2022. At the Interim Consolidated Financial Statements date, the Counterparty has paid VND 20,000 million.

13.2 . Accrued interest and fee receivables

	30/06/2021	31/12/2020
	VND	VND
Interest receivables on deposits	5,079,316,656	7,335,816,867
Interest receivables on investment securities	284,598,764,434	364,787,886,275
Interest receivables on loans to customers	3,180,465,572,938	3,080,984,011,322
Interest receivables on forward transactions	4,078,080,350	694,739,871
	3,474,221,734,378	3,453,802,454,335

13.3 . Other assets

	30/06/2021	31/12/2020
	VND	VND
Foreclosed assets of which ownership have been transferred to credit institution, but awaiting for handling	12,000,000,000	12,000,000,000
Tools and materials	3,137,324,739	2,993,831,410
Expenses awaiting for allocation	121,680,746,670	29,911,263,757
Foreclosed assets	1,715,029,608,789	1,759,361,739,937
- Foreclosed assets are real estate (i)	1,245,246,348,900	1,245,246,348,900
- Foreclosed assets are machinery, transportation (ii)	42,224,149,337	42,224,149,337
- Foreclosed assets are listed stocks(iii)	427,559,110,552	471,891,241,700
Others	3,960,307,737	2,370,026,611
	1,855,807,987,935	1,806,636,861,715

(i) Foreclosed assets are real estate including land use rights and office buildings that are entrusted to AMC for management and exploitation.

(ii) Foreclosed assets are machinery, equipment, transportation and factories which are being exploited by the form of term lease with customers in need.

(iii) Foreclosed assets are listed stocks currently in the process of completing legal documents to transfer ownership to Bank.

14 . Deposits and borrowings from other credit institutions

	30/06/2021	31/12/2020
	VND	VND
Deposits from other credit institutions	9,135,266,469,185	13,601,194,237,235
Demand deposits	13,248,469,185	17,152,237,235
- In VND	13,248,469,185	17,152,237,235
Term deposits	9,122,018,000,000	13,584,042,000,000
- In VND	8,339,168,000,000	11,783,412,000,000
- In foreign currencies	782,850,000,000	1,800,630,000,000
Borrowings from other credit institutions	560,617,694,204	4,565,799,501,127
In VND	508,528,909,264	4,562,961,759,264
In foreign currencies	52,088,784,940	2,837,741,863
	9,695,884,163,389	18,166,993,738,362

15 . Deposits from customers

Analysis by products:

	30/06/2021	31/12/2020
	VND	VND
Demand deposits	4,479,157,926,825	2,395,939,738,749
- In VND	4,436,663,596,087	2,291,870,688,485
- In foreign currencies	42,494,330,738	104,069,050,264
Term deposits	60,052,388,122,663	56,860,576,905,826
- In VND	59,806,666,049,551	56,624,817,027,116
- In foreign currencies	245,722,073,112	235,759,878,710
Deposit for specific purpose	5,647,066	5,644,585
Margin deposits	15,812,977,729	15,337,411,119
- In VND	15,677,982,877	15,201,071,478
- In foreign currencies	134,994,852	136,339,641
	<u>64,547,364,674,283</u>	<u>59,271,859,700,279</u>

- Analysis by customers:

	30/06/2021	31/12/2020
	VND	VND
Deposits from business entities	11,964,306,410,110	6,826,319,312,578
- State-owned enterprises	612,792,047,090	597,649,041,672
- Private enterprises and others	11,300,261,447,029	6,127,349,288,128
- Foreign invested enterprises	51,252,915,991	101,320,982,778
Deposits from individuals and others	52,583,058,264,173	52,445,540,387,701
	<u>64,547,364,674,283</u>	<u>59,271,859,700,279</u>

16 . Valuable papers issued

As at 30 June 2021

Term	Face value	Discount	Premium	Net value
	VND	VND	VND	VND
From 12 months up to 5 years	768,386,783,467	-	-	768,386,783,467
	<u>768,386,783,467</u>	<u>-</u>	<u>-</u>	<u>768,386,783,467</u>

As at 31 December 2020:

Term	Face value VND	Discount VND	Premium VND	Net value VND
Under 12 months	450,000,000,000	-	-	450,000,000,000
From 12 months up to 5 years	457,635,398,735	-	-	457,635,398,735
Over 5 years	450,000,000,000	-	-	450,000,000,000
	1,357,635,398,735	-	-	1,357,635,398,735

17 . Other payables and liabilities

	30/06/2021 VND	31/12/2020 VND
Payables to employees	17,980,511,224	11,416,454,003
Taxes and other payables to the State Budget	57,337,932,921	41,151,130,476
Bonus and welfare funds	5,378,041,999	6,079,041,999
External payables	376,756,333,557	347,666,330,993
- Periodical interest for deposits	29,073,654,030	24,817,100,148
- Payables awaiting settlement regarding to affairs at Dong Do transaction department (*)	250,136,227,651	250,136,227,651
- Others	97,546,451,876	72,713,003,194
	457,452,819,701	406,312,957,471

(*) This presents a payable awaiting settlement related to customer groups at Dong Do Transaction Department that the Bank temporarily implemented to transfer status from savings deposit to savings books pending the final conclusion of the Investigation Police Agency.

18. Shareholders' equity

18.1 . Statement of changes in shareholders' equity

Items	Charter Capital	Share premium	Other capital	Exchange rate differences	Financial reserve	Supplemental charter capital reserve	Retained earnings	Total
	VND	VND	VND	VND	VND	VND	VND	VND
Opening balance	4,449,635,670,000	98,600,000	13,470,351	-	227,358,304,531	49,496,167,149	997,325,443,941	5,723,927,655,972
Increase in the period	-	-	-	709,030,487	-	-	316,659,052,378	317,368,082,865
Net profit for the period	-	-	-	-	-	-	316,659,052,378	316,659,052,378
Other increase	-	-	-	709,030,487	-	-	-	709,030,487
Closing balance	4,449,635,670,000	98,600,000	13,470,351	709,030,487	227,358,304,531	49,496,167,149	1,313,984,496,319	6,041,295,738,837

18.2 . Earnings per share

	First 6 months of 2021 VND	First 6 months of 2020 VND
Net profit for the period	316,659,052,378	118,496,236,982
Net profit distributed to ordinary shares	316,659,052,378	118,496,236,982
Deduction for bonus and welfare funds	-	-
Net profit used to calculate earnings per share	316,659,052,378	118,496,236,982
Weighted average number of outstanding ordinary shares	444,963,567	349,999,047
Earnings per share (VND)	712	339

The Bank has not planned to make any distribution to Bonus and welfare fund from the net profit after tax at the date of preparing Interim Consolidated Financial Statements.

18.3 . Details of shareholders' equity

	30/06/2021			31/12/2020		
	Total	Ordinary shares	Preference shares	Total	Ordinary shares	Preference shares
	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm
State investment equity	387,307	387,307	-	387,307	387,307	-
Capital from shareholders	4,062,329	4,062,329	-	4,062,329	4,062,329	-
Share premium	99	99	-	99	99	-
Other capital	13	13	-	13	13	-
	4,449,748	4,449,748	-	4,449,748	4,449,748	-

18.4 . Shares

	30/06/2021	31/12/2020
Quantity of shares authorized issuing shares	444,963,567	444,963,567
Quantity of shares were sold out to the public	444,963,567	444,963,567
- Ordinary shares	444,963,567	444,963,567
Quantity of outstanding shares in circulation	444,963,567	444,963,567
- Ordinary shares	444,963,567	444,963,567

Par value per share: VND 10,000 per share.

19 . Interest and similar income

	First 6 months of 2021 VND	First 6 months of 2020 VND
Interest income from deposits	19,755,469,619	63,820,630,044
Interest income from loan to customers	2,349,472,483,145	2,354,642,921,567
Interest income from trading in debt securities	255,759,022,515	364,122,301,114
- Interest income from investment securities	255,759,022,515	364,122,301,114
Interest income from guarantee activities	4,923,516,554	2,224,135,619
Other income from credit activities	6,655,246,655	36,296,666,155
	2,636,565,738,488	2,821,106,654,499

20 . Interest and similar expenses

	First 6 months of 2021 VND	First 6 months of 2020 VND
Interest expenses on deposits	1,947,350,504,426	2,055,640,237,061
Interest expenses on borrowings	4,466,494,222	118,626,721,805
Interest expenses on value papers issued	43,239,196,417	60,407,843,302
Other expenses on credit activities	2,082,016,995	8,832,953,451
	1,997,138,212,060	2,243,507,755,619

21 . Net gain/(loss) from fee and commission

	First 6 months of 2021 VND	First 6 months of 2020 VND
Fee and commission income from	31,583,522,611	19,826,616,064
- <i>Settlement services</i>	10,956,769,569	11,336,140,482
- <i>Treasury services</i>	347,950,258	311,086,874
- <i>Entrustment and agency services</i>	403,211,130	1,911,742,260
- <i>Other services</i>	19,875,591,654	6,267,646,448
Fee and commission expenses for	(14,484,734,862)	(24,068,356,607)
- <i>Settlement services</i>	(4,669,732,206)	(7,949,672,708)
- <i>Treasury services</i>	(179,728,136)	(183,196,899)
- <i>Other services</i>	(9,635,274,520)	(15,935,487,000)
Net gain/(loss) from fee and commission	17,098,787,749	(4,241,740,543)

22 . Net gain/(loss) from foreign currency trading

	First 6 months of 2021 VND	First 6 months of 2020 VND
Gains from trading foreign currencies	19,948,792,104	53,387,179,133
- <i>From spot foreign currency trading</i>	3,426,515,909	5,920,461,741
- <i>From gold trading</i>	266,103,979	1,413,725,756
- <i>From currencies derivatives</i>	16,256,172,216	46,052,991,636
Losses from trading foreign currencies	(20,121,098,600)	(37,571,901,192)
- <i>From spot foreign currency trading</i>	(5,118,597,243)	(10,633,599,754)
- <i>From gold trading</i>	(410,742)	(15,051,574)
- <i>From currencies derivatives</i>	(15,002,090,615)	(26,923,249,864)
Net gain/(loss) from foreign currency trading	(172,306,496)	15,815,277,941

23 . Net gain/(loss) from trading securities

	First 6 months of 2021 VND	First 6 months of 2020 VND
Income from trading securities	39,839,364,243	42,117
Expenses for trading securities	(2,725,920,970)	(20,060,807)
Net gain/(loss) from trading securities	37,113,443,273	(20,018,690)

24 . Net gain from investment securities

	First 6 months of 2021 VND	First 6 months of 2020 VND
Expenses for trading securities	24,102,120,985	17,345,463,208
Provisions for trading securities	(344,881,002)	-
Net gain from investment securities	23,757,239,983	17,345,463,208

25 . Net other operating income

	First 6 months of 2021 VND	First 6 months of 2020 VND
Other operating income	83,738,960,913	50,400,338,192
- Income from debt trading activities	-	41,055,675,358
- <i>Recovery of handled debts</i>	48,210,676,772	-
- <i>Income from property rental</i>	24,134,722,361	8,265,583,957
- <i>Other incomes</i>	11,393,561,780	1,079,078,877
Other operating expenses	(681,887,271)	(587,753,925)
- <i>Other expenses</i>	(681,887,271)	(587,753,925)
Net other operating income	83,057,073,642	49,812,584,267

26 . Income from capital contribution, equity investments

	First 6 months of 2021 VND	First 6 months of 2020 VND
Dividend received from capital contribution, equity investments	150,000,000	-
- <i>From capital contribution and other long-term investments</i>	150,000,000	-
	150,000,000	-

27 . Operating expenses

	First 6 months of 2021 VND	First 6 months of 2020 VND
Tax expenses and fees	372,141,426	600,201,250
Employee expenses	152,048,842,080	143,557,962,722
Of which:		
- Salary and allowance	136,191,708,799	128,661,701,131
- Additional expenses based on salary	13,409,911,407	12,706,796,940
- Others	2,447,221,874	2,189,464,651
Expenses on assets	56,402,858,861	52,173,907,630
Of which:		
- Depreciation and amortisation of fixed assets	10,775,145,135	10,952,629,804
- Assets maintenance and repair	7,078,046,215	5,491,878,873
- Procurement of labor tools	4,138,796,712	4,123,975,471
- Assets rental expenses	34,375,468,799	31,602,263,482
- Others	35,402,000	3,160,000
Administrative expenses	71,364,339,178	69,488,935,248
Of which:		
- Office materials and other materials	4,835,181,268	4,435,836,215
- Business trip expenses	1,211,464,077	1,627,759,565
- Postage and phone charges	1,460,557,240	1,297,137,008
- Propaganda, advertising and marketing expenses	1,757,297,554	2,176,980,832
- Conferences, receptions, celebrations expenses	30,290,024,880	31,659,357,835
- Others	31,809,814,159	28,291,863,793
Insurance for customer deposits	39,608,699,000	33,174,219,000
	319,796,880,545	298,995,225,850

28 . Provision for credit losses

	First 6 months of 2021 VND	First 6 months of 2020 VND
Provision for loans to customers	(77,768,332,826)	(55,747,470,017)
Provision for VAMC bonds	-	(152,733,541,832)
Provision for other receivables	(7,141,436,510)	-
	(84,909,769,336)	(208,481,011,849)

29 . Corporate income tax expense

29.1 . Current corporate income tax expenses

	First 6 months of 2021 VND	First 6 months of 2020 VND
Current corporate income tax expenses:		
- <i>Vietnam-Asia Commercial Joint Stock Bank</i>	79,066,062,320	30,337,990,382
- <i>Asset Exploitation and Debt Management One Member Company Limited - Vietnam-Asia Commercial Joint Stock Bank (AMC)</i>	-	-
Total current income tax expense	79,066,062,320	30,337,990,382
Tax payable at the beginning of the period	38,490,294,571	39,365,778,372
Tax paid during the period	(63,471,787,444)	(39,365,778,372)
Corporate income tax payable at the end of the period	54,084,569,447	30,337,990,382

30 . Cash and cash equivalents

	30/06/2021 VND	30/06/2020 VND
Cash on hand	314,499,297,895	301,897,737,910
Balance with the State Bank	1,829,069,585,210	3,756,100,228,653
Deposits in other credit institutions (<i>with term of up to 3 months</i>)	10,749,239,957,916	6,293,000,790,755
	12,892,808,841,021	10,350,998,757,318

31 . Employees' remuneration

	First 6 months of 2021	First 6 months of 2020
I. Average number of employees	1,458	1,459
II. Employees' income		
1. Total salary	137,786,955,307	132,705,894,100
2. Bonus	349,133,266	428,057,000
3. Other income	6,006,244,355	5,252,862,000
4. Total income (1+2+3)	144,142,332,928	138,386,813,100
5. Salary paid per capita per month	15,750,681	15,159,458
6. Income paid per capita per month	16,477,176	15,808,409

32 . Obligations to the State budget

Items	Opening balance VND	Movement during the period		Closing balance VND
		Payables VND	Paid VND	
1. Value added tax	(11,329,784,360)	5,342,259,071	(2,296,548,422)	(8,284,073,711)
2. Corporate income tax	38,490,294,571	79,066,062,320	(63,471,787,444)	54,084,569,447
3. Personal income tax	914,537,115	4,794,831,534	(5,233,160,076)	476,208,573
4. License tax	-	103,000,000	(103,000,000)	-
5. Foreign contractor tax	2,561,487	230,001,219	(207,787,427)	24,775,279
	<u>28,077,608,813</u>	<u>89,536,154,144</u>	<u>(71,312,283,369)</u>	<u>46,301,479,588</u>

33 . Assets, valuable papers which was mortgaged, pledged and discounted, rediscounted

33.1 . Assets, valuable papers received mortgaged, pledged and discounted, rediscounted

	30/06/2021 VND	31/12/2020 VND
Real estate (*)	149,200,885,511,461	20,444,433,663,895
Movable assets	540,765,682,764	610,548,570,888
Valuable papers	9,374,419,399,024	8,262,610,549,760
Other secured assets (*)	25,398,543,019,935	150,023,191,332,784
	<u>184,514,613,613,184</u>	<u>179,340,784,117,327</u>

(*) During the period, the Bank reviewed the list of collateral assets and reclassified them to suit the type of collateral, so there was a large fluctuation between the real estate and other secured assets.

34 . Contingent liabilities and commitments

In the normal course of business, the Bank implements financial tools related to off-balance sheet items. These financial instruments mainly comprise of financial guarantees and commercial letters of credit. These instruments involve elements of credit risk in excess of the amounts recognized in the on-balance sheet.

Credit risk for off-balance sheet financial instruments is defined as the possibility of sustaining a loss in case any other party to a financial instrument fails 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, performing contracts and tender. The credit risk involved in issuing guarantees is essentially the same as that involved in loans to customers.

Commercial at sight letters of credit represent a financing transaction by the Bank to its customers 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 collaterals for the transaction.

Deferred letters of credit represent the amounts at risk should the contract be fully drawn upon and the client defaults in repayment to the beneficiary. Deferred letters of credit that were default by clients are recognized by the Bank as compulsory loans with corresponding liabilities representing the financial obligations of the Bank to the beneficiaries and to fulfill the guarantor's obligations.

The credit risk involved in issuing letters of credit is generally insignificant provided that the Bank is able to take control of goods. Deferred letters of credit may pose higher risk exposure in comparison to letters of credit at sight. Letters of credit/guarantees that were default by clients are recognized by the Bank as compulsory loans as previously agreed by the Bank and clients.

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 commitments issued depending on the customers' trustworthiness as assessed by the Bank.

In addition, the Bank has other commitments to counterparties such as commitments to purchase valuable papers, irrevocable loan commitments.

Irrevocable loan commitments are those to grant credit to customers and the commitments are unconditionally irrevocable, according to the contracts signed.

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

	30/06/2021	31/12/2020
	VND	VND
Other guarantees	382,281,791,680	684,886,456,296
- Payment guarantee	44,614,250,434	26,306,600,000
- Contract performance guarantee	39,845,333,934	34,819,282,328
- Bid guarantee	1,293,504,918	565,920,000
- Other guarantee commitments	296,528,702,394	623,194,653,968
Exchange transaction commitments	5,980,970,585,750	3,162,645,000,000
- Commitments for buying foreign currency	54,839,583,250	-
- Commitments for selling foreign currency	54,756,002,500	-
- Commitments for swap contracts	5,871,375,000,000	3,162,645,000,000
Letters of credit	300,412,162,446	382,891,507,294
	6,663,664,539,876	4,230,422,963,590

35 . Transactions with related parties

Transactions with related parties during the period:

No.	Name	Title	First 6 months of 2021	First 6 months of 2020
			VND	VND
<i>Remuneration to members of Board of Directors:</i>				
1	Mr. Phuong Huu Viet	Chairman	630,000,000	472,500,000
2	Mr. Phan Van Toi	Vice Chairman	378,000,000	378,000,000
3	Mr. Nguyen Hong Hai	Member	587,250,000	-
4	Ms. Phuong Minh Hue	Member	162,900,000	-
	<i>(Resigned on 24 April 2021)</i>			
			1,758,150,000	850,500,000

No.	Name	Title	First 6 months of 2021 VND	First 6 months of 2020 VND
<i>Remuneration to members of Supervisory Board</i>				
1	Ms. Nguyen Kim Phuong	Chief Supervisor	409,374,000	356,773,900
2	Ms. Nguyen Thi Hoan	Member	63,000,000	63,000,000
3	Mr. Hoang Vu Tung	Member	346,500,000	346,500,000
			818,874,000	766,273,900
<i>Salary of General Director and other managers:</i>				
1	Mr. Nguyen Van Trong	Deputy CEO	923,760,100	193,407,367
2	Mr. Pham Linh	Deputy General Director	869,396,770	861,868,770
3	Mr. Tran Tien Dung	Deputy General Director	765,739,060	738,030,060
4	Mr. Le Minh Huan	Deputy General Director	763,400,100	653,001,100
5	Mr. Cu Anh Tuan	Deputy General Director	976,071,770	-
6	Mr. Phuong Thanh Long	Deputy General Director	582,110,951	-
			4,880,478,751	2,446,307,297
<i>Outstanding balance with related parties:</i>				
			30/06/2021 VND	31/12/2020 VND
	Deposits from related parties		29,350,890,593	46,565,546,947
	Other payables and liabilities from related parties		37,500,000	11,000,000,000

36 . Subsequent events

There have been no significant events occurring after the reporting period, which would require adjustments or disclosures to be made in the Interim Consolidated Financial Statements.

37 . Concentration of assets, liabilities and off-balance sheet items by geographical regions

Location	Loan to customers and to other credit institutions	Deposits and borrowings from customers and other credit institutions	Credit commitments	Derivatives (Total value of contracts)	Net of trading and investments securities
	VNDm	VNDm	VNDm	VNDm	VNDm
Domestic	51,369,172	74,243,249	982,694	6,123,096	8,839,027
	51,369,172	74,243,249	982,694	6,123,096	8,839,027

38 . Risk management policies relating to financial instruments

The Bank's objective is to maintain a healthy financial position. Hence, the using of financial instruments, including customer deposits and investments in high quality financial assets, is critical for the Bank to achieve required interest margin. From risk management perspective, the Bank is required to maintain balance between off-balance sheet items (such as guarantees and letters of credit) and credits (loans in VND and foreign currencies) to individuals and organizations which have different creditworthiness. In addition, the Bank also invested part of its mobilized funds in securities or loans to other credit institutions. The foreign currency risks and interest rate risks have been managed simultaneously by applying position limits in order to reduce risk concentration and participating in activities with opposite balancing impacts to minimize risks. Holding high quality financial instruments helps the Bank to manage significant risks in its operating activities and ensure its solvency.

For credit risk management purpose, the Bank has used their credit management manual providing regulations and requirements for lending and guidance to standardize the lending activities at the Bank. Liquidity risk is limited by keeping a large amount of cash and cash equivalents in form of Nostro account, term deposits at the State Bank of Vietnam and other credit institutions and valuable papers. Risk-adjusted prudent ratios are also used in liquidity risk management. The Bank often revalues the interest rate gap and compares to benchmarks of domestic and foreign markets on a regular basis in order to able to timely adapt with unforeseen movements.

38.1 . Credit risk

Credit risk is the risk that the Bank will incur a financial loss because its customers or counterparties fail to discharge their contractual obligations. The Bank has established appropriate credit policies and regularly executed credit review to assess whether the Bank has credit risk exposure.

For credit risk management purpose, the Bank has established a centralized management model at its Head office for appraisal, re-appraisal and approval of loan. It has also prepared documents system providing general regulations on credit risk management in accordance with prevailing regulations of the SBV and its internal risk management.

Besides its regular adjustments and update of its model and internal documents to align with the credit operations, the Bank currently continues to upgrade and complete its internal credit rating System.

The Bank's financial assets, which are neither overdue nor impaired, include loans in Group 1 as required by Circular 02 and Circular 09; securities, receivables and other financial assets which are not overdue and are not required provision in accordance with Circular No. 48/2019/TT- BTC dated 08 August 2019.

The Bank evaluates that those financial assets can be fully and timely recovered in the future.

38.2 . Market risk

a. Interest risk

Interest risk is risk in which the fair value of future cash flow of a financial instrument fluctuates due to changes in market interest rate.

Board of Management periodically reviews the risk profile of the Bank against the prevailing business and economic conditions, focusing on market and interest risks. Board of Management relates structure of assets and liabilities to funding mismatches and interest rate fluctuation risks and ensures compliance with the Bank's internal ratios, limits and guidelines.

The Bank managed the interest rate risks by analyzing the effective interest rate re-pricing term for its assets and liabilities.

The effective interest rate re-pricing term of assets and liabilities is the remaining period from the end of the period to the latest interest rate re-pricing term.

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

- Cash on hand, investment and trading securities, which are equity securities, long-term investments in capital contribution and other assets (including fixed assets and other assets, excluding entrusted investment) are classified as non-interest bearing item.
- Deposits at the SBV are considered as demand deposits and accordingly, the effective interest re-pricing term is assumed to be one month.
- The effective interest re-pricing term of investment and trading securities in debt securities is determined as follows:
- The effective interest re-pricing term of deposits due from and loans to other credit institutions; investment securities is debt securities; loans to customers; deposits and borrowings from other credit institutions; deposits from customers; borrowings at risk of credit institution and valuable papers issued are determined as follows:
 - Items which bear fixed interest rate during the contractual term: The effective interest re-pricing term is determined based on the time to maturity from the end of the period.
 - Items which bear 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 end of the period.
- The effective interest re-pricing term of other liabilities are classified as non-interest bearing item.

Classification of assets and liabilities of the Bank according to their interest re-pricing terms as at 30 June 2021 is as follows:

Items	Overdue	Non-interest bearing	Interest re-pricing within					Total
			Under 01 month	From 01 month up to 03 months	From over 03 month up to 06 months	From over 06 month up to 12 months	From over 01 years up to 05 years	
	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm
ASSETS								
I Cash on hand, gold, silver and gemstones	-	314,499	-	-	-	-	-	314,499
II Balances with the State Bank of Vietnam	-	1,829,070	-	-	-	-	-	1,829,070
III Balances with and loans to other credit institutions (*)	-	9,199,240	1,550,000	-	-	-	-	10,749,240
V Derivatives and other financial assets	-	2,204	-	-	-	-	-	2,204
VI Loans to customers (*)	1,860,223	-	15,323,143	21,359,985	11,297,986	1,527,751	84	51,369,172
VIII Investment securities (*)	-	61,749	199,999	-	203,376	502,287	948,923	8,839,027
IX Long-term investments (*)	-	113,874	-	-	-	-	-	113,874
X Fixed assets	-	211,023	-	-	-	-	-	211,023
XI Other assets (*)	-	10,317,907	-	-	-	-	-	10,317,907
Total assets	1,860,223	11,021,256	26,551,452	22,909,985	11,501,362	2,030,038	949,007	83,746,016
LIABILITIES								
II Deposits and borrowings from other credit institutions	-	-	8,085,266	1,554,838	54,626	-	1,042	9,695,884
III Deposits from customers	-	-	16,376,302	12,799,413	18,619,985	12,568,360	4,183,305	64,547,365
VI Valuable papers issued	-	-	36,335	88,874	1,151	342,027	300,000	768,387
VII Other liabilities	-	1,971,984	-	-	-	-	-	1,971,984
Total liabilities	-	1,971,984	24,497,903	14,443,125	18,675,762	12,910,387	4,484,347	76,983,620

Classification of assets and liabilities of the Bank according to their interest re-pricing terms as at 30 June 2021 is as follows:

Items	Overdue	Non-interest bearing	Interest re-pricing within				Total
			Under 01 month	From 01 month up to 03 months	From over 03 month up to 06 months	From over 06 month up to 12 months	
	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm
Interest sensitive difference on-balance sheet	1,860,223	9,049,272	2,053,549	8,466,860	(7,174,400)	(10,880,349)	6,762,396
Off-balance sheet commitments affecting the interest rate sensitivity of assets and liabilities (net)	-	-	-	-	-	-	-
Total sensitive difference	1,860,223	9,049,272	2,053,549	8,466,860	(7,174,400)	(10,880,349)	6,762,396

(*) The amounts exclude provisions.

b. Currency risk

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

The Bank was established and operates in territory of Vietnam with the recorded currency is VND. The main currency used for its transactions is VND. The Bank's loans to customers are mainly denominated in VND a small portion is in USD. Some of the Bank's other assets are denominated in currencies other than VND, USD. The currency status is monitored on a daily basis and the strategy for preventing risk is set by the Bank to ensure that the currency status has been maintained within the established limits.

Classification of assets and liabilities denominated in foreign currencies converted into VND as at 30 June 2021 is as follows:

	EUR converted	USD converted	Other foreign currencies converted and VND	Total
	VNDm	VNDm	VNDm	VNDm
ASSETS				
I. Cash on hand, gold, silver and gemstones	196	46,359	267,944	314,499
II. Balance with the State Bank of Vietnam	-	6,421	1,822,649	1,829,070
III. Balance with and loans to other credit institutions (*)	6,488	920,364	9,822,388	10,749,240
V. Derivatives and other financial assets (*)	-	164,740	(162,536)	2,204
VI. Loans to customers (*)	-	71,236	51,297,936	51,369,172
VIII. Investment securities (*)	-	-	8,839,027	8,839,027
IX. Long-term investment (*)	-	-	113,874	113,874
X. Fixed assets	-	-	211,023	211,023
XI. Other assets (*)	-	72,748	10,245,159	10,317,907
Total assets	6,684	1,281,868	82,457,464	83,746,016
LIABILITIES AND SHAREHOLDERS' EQUITY				
II. Deposits and borrowings from other credit institutions	-	834,939	8,860,945	9,695,884
III. Deposits from customers	542	287,783	64,259,040	64,547,365
VI. Valuable papers issued	-	-	768,387	768,387
VII. Other liabilities	-	1,733	1,970,251	1,971,984
VIII. Capital and funds	-	-	6,041,296	6,041,296
Total liabilities and shareholders' equity	542	1,124,455	81,899,919	83,024,916
On-balance sheet foreign currency position	6,142	157,413	557,545	721,100
Off-balance sheet foreign currency position	-	-	-	-
Total foreign currency position	6,142	157,413	557,545	721,100

(*) The amounts exclude provisions.

Exchange rate

USD 23,025.00

EUR	27,400.00
JPY	208.31
AUD	17,296.00
SGD	17,133.00
GBP	31,890.00
CAD	18,567.00
HKD	2,965.00
CHF	24,995.00
DKK	3,684.00
KRW	20.45
THB	718.00
CNY	3,560.00

c. 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 their 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 their 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 end of the period to the time 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 liabilities:

- 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 debt securities is calculated based on the maturity date of each kind of securities.
- The maturity date of trading securities is based on the maturity date on the contract or maturity date according to the maximum holding time specified by the Bank, whichever comes first.
- The maturity term of balances with and loans to other credit institutions; and loans to customers are 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 outstanding at the end of the period.
- The maturity of available-for-sale investments are equity securities and equity investments which are considered to be from one (01) year to five (05) years since due to these investments do not have maturity dates determined.
- The maturity term of deposits and borrowings from other credit institutions; deposits from customers; grants, trusted funds, borrowings at risk of credit institutions and valuable papers issued are determined based on features of these items or the maturity date as stipulated in contracts. Vostro account and demand deposits are 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.
- The maturity term of fixed assets is determined on the remaining useful life of assets.
- The maturity of other assets and liabilities is calculated from the end of the period to the date of payment in accordance the contract.

The maturity of assets and liabilities as at 30 June 2021 is as follows:

Items	Overdue		Current			Total	
	Over 03 months	Up to 03 months	Up to 01 months	From over 01 month up to 03 months	From over 03 months up to 12 months	From over 01 years up to 05 years	Over 05 years
	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm
ASSETS							
I Cash on hand, gold, silver and gemstones	-	-	314,499	-	-	-	314,499
II Balances with the SBV	-	-	1,829,070	-	-	-	1,829,070
III Balances with and loans to other credit institutions (*)	-	-	9,199,240	1,550,000	-	-	10,749,240
V Derivatives and other financial assets	-	-	2,204	-	-	-	2,204
VI Loans to customers (*)	1,058,658	801,565	787,865	3,226,031	27,459,892	11,246,011	51,369,172
VIII Investment securities (*)	-	-	7,263,902	410,000	603,376	500,000	8,839,027
IX Long-term investments (*)	-	-	-	-	-	-	113,874
X Fixed assets	-	-	-	-	-	-	211,023
XI Other assets (*)	-	-	10,317,907	-	-	-	10,317,907
Total assets	1,058,658	801,565	29,714,687	5,186,031	28,063,268	11,746,011	83,746,016
LIABILITIES							
II Deposits and borrowings from other credit institutions	-	-	8,085,266	1,554,838	54,626	1,042	9,695,884
III Deposits from customers	-	-	16,376,302	12,799,413	31,188,345	4,183,305	64,547,365
VI Valuable papers issued	-	-	36,335	88,874	343,178	300,000	768,387
VII Other liabilities	-	-	1,971,984	-	-	-	1,971,984
Total liabilities	-	-	26,469,887	14,443,125	31,586,149	4,484,347	76,983,620
Net liquidity difference	1,058,658	801,565	3,244,800	(9,257,094)	(3,522,881)	7,261,664	6,762,396

(*) The amounts exclude provisions.

39 . Segment reporting

39.1 . Business segment report

At present, the Bank has one business sector which is banking operations including regular supply of the following operations:

- Receive deposits;
- Credit provisions;
- Provide payment services through accounts; and
- Other banking activities.

Accordingly, the Board of Management stated that the Bank has only one business sector, which is banking operations; at the same time, the Bank's risk and profitability ratio are reflected in this single business sector. Debt management and financial exploitation activities of AMC-a subsidiary of the Bank account for a negligible proportion in the entire banking operation. Therefore, the Bank does not need to present detailed segment report by business sector.

39.2 . Geographical segment report

Assets and liabilities by segment are as follows:

	The North		The Central		The South		Adjustments		Total	
	This	Previous	This	Previous	This	Previous	This	Previous	This	Previous
	period/End of the period	period/Beginning of the period	period/End of the period	period/Beginning of the period	period/End of the period	period/Beginning of the period	period/End of the period	period/Beginning of the period	period/End of the period	period/Beginning of the period
	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm	VNDm
Assets	60,045,205	64,768,103	5,609,485	5,536,516	17,370,226	16,224,731	-	-	83,024,916	86,529,350
1. Cash on hand	84,079	94,351	75,583	65,885	154,837	135,510	-	-	314,499	295,746
2. Fixed assets	89,946	121,546	42,358	29,075	78,718	57,104	-	-	211,022	207,725
3. Other assets	59,871,180	64,552,206	5,491,544	5,441,556	17,136,671	16,032,117	-	-	82,499,395	86,025,879
Liabilities	36,793,723	42,230,108	15,846,557	13,897,979	24,342,827	24,677,335	-	-	76,983,107	80,805,422
1. External liabilities	36,386,805	41,860,634	15,840,293	13,892,770	24,299,069	24,645,705	-	-	76,526,167	80,399,109
3. Other liabilities	406,918	369,474	6,264	5,209	43,758	31,630	-	-	456,940	406,313

39.2 . Geographical segment report

Business results by segment are as follows:

	The North			The Central			The South			Adjustments		Total	
	This	Previous	period/ Beginning of the period	This	Previous	period/ Beginning of the period	This	Previous	period/ Beginning of the period	This	Previous	This	Previous
	period/End the period	period/ Beginning of the period		period/End of the period	period/ Beginning of the period		period/End of the period	period/ Beginning of the period		period/End of the period	period/ Beginning of the period	period/End of the period	period/ Beginning of the period
	VNDm	VNDm		VNDm	VNDm		VNDm	VNDm		VNDm	VNDm	VNDm	VNDm
I. Income	10,857,617	7,204,905		1,205,049	823,236		2,866,423	2,345,239		(12,093,160)	(7,411,313)	2,835,929	2,962,067
1. Interest income	10,719,188	7,118,868		1,202,401	821,331		2,808,137	2,292,221		(12,093,160)	(7,411,313)	2,636,566	2,821,107
2. Income from services	14,429	8,857		1,773	1,443		15,381	9,527		-	-	31,583	19,827
3. Income from other activities	124,000	77,180		875	462		42,905	43,491		-	-	167,780	121,133
II. Expenses	(10,792,851)	(7,038,943)		(1,092,168)	(903,931)		(2,563,436)	(2,073,191)		12,093,160	7,411,313	(2,355,295)	(2,604,752)
1. Interest expenses	(10,588,360)	(6,821,391)		(1,042,494)	(859,257)		(2,459,444)	(1,974,173)		12,093,160	7,411,313	(1,997,138)	(2,243,508)
2. Expenses for depreciation of fixed assets	(9,000)	(9,153)		(1,089)	(1,110)		(686)	(690)		-	-	(10,775)	(10,953)
3. Expenses relating to business activities	(195,491)	(208,399)		(48,585)	(43,564)		(103,306)	(98,328)		-	-	(347,382)	(350,291)
Business results	64,766	165,962		112,881	(80,695)		302,987	272,048		-	-	480,634	357,315
(Expenses)/Reversal of provision	(66,560)	(171,135)		8,614	(8)		(26,963)	(37,338)		-	-	(84,909)	(208,481)
Business results by segment	(1,794)	(5,173)		121,495	(80,703)		276,024	234,710		-	-	395,725	148,834

40 . Corresponding figures

Corresponding figures in the Interim Consolidated Balance Sheet and corresponding notes are the data of the Consolidated Financial Statements for the fiscal year ended as at 31 December 2020 audited by Auditing and Informatic Services Company Limited (AISC). Corresponding figures in Interim Consolidated Income Statement, Interim Consolidated Cash Flow Statement and corresponding notes are the date of the Interim Consolidated Financial Statements for the period ended as at 30 June 2020 has been reviewed.

Hanoi, 12 August 2021

Preparer



Nguyen Huu Cuong

Deputy Director in charge
of Finance Department



Nguyen Thanh Cong

Deputy General Director -
Managing Director



Nguyen Van Trong

