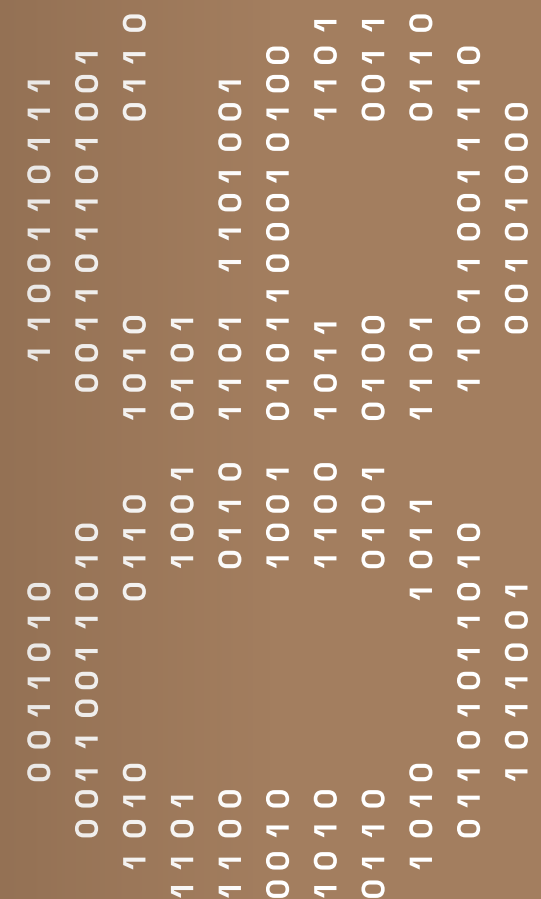


VI.

FINANCIAL
STATEMENTS

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Reliably and
Steadfastly creating
Impressions



Joint Stock Commercial Bank for
Foreign Trade of Vietnam

Consolidated financial statements
for the year ended 31 December 2023

BANK’S INFORMATION

Establishment and
Operation Licence

Establishment and Operation Licence No. 138/GP-NHNN dated 23 May 2008 issued by the State Bank of Vietnam, Decision No. 2719/QD-NHNN dated 27 December 2011, Decision No. 523/QD-NHNN dated 22 March 2012, Decision No. 1547/QD-NHNN dated 6 August 2014, Decision No. 2182/QD-NHNN dated 26 October 2015, Decision No. 95/QD-NHNN dated 18 January 2017, Decision No. 891/QD-NHNN dated 8 May 2017, Decision No. 2293/QD-NHNN dated 31 October 2017, Decision No. 300/QD-NHNN dated 21 February 2019, Decision No. 2447/QD-NHNN dated 25 November 2019, Decision No. 346/QD-NHNN dated 10 March 2022, Decision No. 700/QD-NHNN dated 19 April 2022 and Decision No. 1788/QD-NHNN dated 19 September 2023 promulgated by the State Bank of Vietnam amending and supplementing the operations of Joint Stock Commercial Bank for Foreign Trade of Vietnam.

Enterprise Registration
Certificate

Enterprise Registration Certificate with Enterprise Code No. 0100112437 issued by Hanoi Department of Planning and Investment for the 1st time on 2 June 2008, amended for the 17th time on 2 January 2024.

Members of the Board of Directors during the year and until the issuance date of the consolidated financial statements

Mr. Pham Quang Dung	Chairman	Resigned on 1 January 2024
Mr. Do Viet Hung	Member in charge of the Board of Directors	Appointed on 1 January 2024
Mr. Nguyen Thanh Tung	Member	Re-appointed on 21 April 2023
Mr. Nguyen My Hao	Member	Re-appointed on 21 April 2023
Mr. Nguyen Manh Hung	Member	Re-appointed on 21 April 2023
Mr. Hong Quang	Member	Re-appointed on 21 April 2023
Mr. Shorijo Mizoguchi	Member	Re-appointed on 21 April 2023
Ms. Nguyen Thi Kim Oanh	Member	Appointed on 24 November 2023
Mr. Vu Viet Ngoan	Independent Member	Appointed on 21 April 2023
Mr. Truong Gia Binh	Independent Member	Resigned on 21 April 2023

Members of the Board of Management during the year and until the issuance date of the consolidated financial statements

Mr. Nguyen Thanh Tung	Chief Executive Officer ("CEO")	Appointed on 30 January 2023
Mr. Pham Manh Thang	Deputy CEO	Retired on 1 May 2023
Ms. Dinh Thi Thai	Deputy CEO	Re-appointed on 1 June 2020
Ms. Phung Nguyen Hai Yen	Deputy CEO	Re-appointed on 15 December 2022
Mr. Le Quang Vinh	Deputy CEO	Re-appointed on 15 December 2022
Mr. Dang Hoai Duc	Deputy CEO	Appointed on 1 April 2019
Mr. Shorijo Mizoguchi	Deputy CEO	Appointed on 23 April 2021
Mr. Nguyen Viet Cuong	Deputy CEO	Appointed on 26 April 2022
Mr. Le Hoang Tung	Deputy CEO	Appointed on 15 August 2023
Mr. Ho Van Tuan	Deputy CEO	Appointed on 15 August 2023
Ms. Nguyen Thi Kim Oanh	Deputy CEO	Resigned on 24 November 2023
Mr. Colin Richard Dinn	Head of Transformation Division	Appointed on 24 November 2023
Mr. Tran Thanh Nam	Head of IT and Digital Transformation Division Head of Innovation	Appointed on 15 November 2023 Appointed on 26 April 2022
Ms. Nguyen Thi Hong Van	Head of Legal and Compliance Division	Appointed on 15 November 2023
Ms. Doan Hong Nhung	Head of Retail Banking Division	Appointed on 7 December 2023

Members of the Supervisory Board during the year and until the issuance date of the consolidated financial statements

Mr. Lai Huu Phuoc	Chair of the Board	Re-appointed on 21 April 2023
Ms. La Thi Hong Minh	Member	Resigned on 24 November 2023
Ms. Do Thi Mai Huong	Member	Re-appointed on 21 April 2023
Ms. Tran My Hanh	Member	Re-appointed on 21 April 2023

Chief Accountant

Ms. La Thi Hong Minh	Appointed on 7 December 2023
Mr. Le Hoang Tung	Resigned on 15 August 2023

Legal Representative

Mr. Nguyen Thanh Tung	Since 2 January 2024 Title: Member of the Board of Directors and CEO
Mr. Pham Quang Dung	Since 30 August 2021 until 1 January 2024 Title: Chairman of the Board of Directors (Resigned on 1 January 2024)

Authorized signature on financial statements

(According to Letter of Authorization No. 32/UQ-VCB-CSTCKT dated 26 January 2024)

Since 26 January 2024
Ms. Phung Nguyen Hai Yen
Title: Deputy CEO

The Bank’s Head Office

198 Tran Quang Khai Street

Hoan Kiem District, Hanoi, Vietnam

Auditor

Ernst & Young Vietnam Limited

REPORT OF THE BOARD OF MANAGEMENT

The Board of Management of Joint Stock Commercial Bank for Foreign Trade of Vietnam ("the Bank") is pleased to present this report and the accompanying consolidated financial statements of the Bank and its subsidiaries for the year ended 31 December 2023.

The Board of Management’s responsibility in respect of the consolidated financial statements

The Board of Management of the Bank is responsible for the consolidated financial statements of each financial year which give a true and fair view of the consolidated financial position of the Bank and its subsidiaries, and of their consolidated results of operations and their consolidated cash flows for the year. In preparing those consolidated financial statements, the Board of Management of the Bank is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgments and estimates that are reasonable and prudent;
- State whether applicable accounting standards for the Bank and its subsidiaries have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- Prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Bank and its subsidiaries will continue their business.

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

The Board of Management of the Bank confirmed that it has complied with the above requirements in preparing the accompanying consolidated financial statements..

Statement by the Board of Management of the Bank

The Board of Management of the Bank does hereby state that, in its opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Bank and its subsidiaries as at 31 December 2023, and of the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions issued by the State Bank of Vietnam and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

For and on behalf of the Board of Management of the Bank:

Ms. Phung Nguyen Hai Yen
Deputy CEO
Hanoi, 29 March 2024

INDEPENDENT AUDITOR’S REPORT

To: **The Shareholders of
Joint Stock Commercial Bank for Foreign
Trade of Vietnam**

We have audited the accompanying consolidated financial statements of Joint Stock Commercial Bank for Foreign Trade of Vietnam (“the Bank”) and its subsidiaries as prepared on 29 March 2024 and set out on pages 6 to 82, which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated income statement and the consolidated cash flow statement for the year then ended and the notes thereto.

The Board of Management’s responsibility

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

Auditors’ responsibility

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

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

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

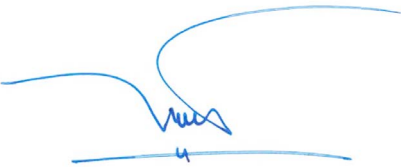
Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of the Bank and its subsidiaries as at 31 December 2023, and of the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions issued by the State Bank of Vietnam and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ernst & Young Vietnam Limited



Dang Phuong Ha
Deputy General Director
Audit Practicing Registration
Certificate No. 2400-2023-004-1
Hanoi, Vietnam
29 March 2024



Nguyen Van Trung
Auditor
Audit Practicing Registration
Certificate No. 3847-2021-004-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Form B02/TCTD-HN

(Issued under Circular
No.49/2014/TT-NHNN dated 31
December 2014)

as at 31 December 2023

No.	ITEMS	Note	31/12/2023 (VND million)	31/12/2022 (VND million)
A	ASSETS			
I	Cash, gold, silver and gemstones	4	14,504,849	18,348,534
II	Balances with the State Banks	5	58,104,503	92,557,809
III	Balances with and loans to other credit institutions	6	336,468,607	313,637,444
1	Balances with other credit institutions		312,001,875	283,727,719
2	Loans to other credit institutions		30,175,707	40,749,725
3	Provision for balances with and loans to other credit institutions		(5,708,975)	(10,840,000)
IV	Trading securities	7	2,495,408	1,499,687
1	Trading securities		2,511,395	1,543,575
2	Provision for trading securities		(15,987)	(43,888)
V	Derivatives and other financial assets	18	-	156,515
VI	Loans to customers		1,241,675,333	1,120,286,832
1	Loans to customers	8	1,270,359,018	1,145,066,250
2	Provision for loans to customers	9	(28,683,685)	(24,779,418)
VIII	Investment securities	10	145,780,067	196,171,213
1	Available-for-sale securities		67,882,480	100,739,670
2	Held-to-maturity securities		78,009,747	95,513,376
3	Provision for investment securities		(112,160)	(81,833)
IX	Capital contributions, long-term investments		2,224,945	2,193,535
2	Investments in joint-ventures	11(a)	826,152	771,075
3	Investments in associates	11(b)	12,073	11,314
4	Other long-term investments	11(c)	1,529,145	1,529,145
5	Provision for diminution in value of long-term investments	11(d)	(142,425)	(117,999)
X	Fixed assets		7,708,181	7,985,400
1	Tangible fixed assets	12	5,115,612	5,170,083
<i>a</i>	<i>Cost</i>		<i>14,714,588</i>	<i>13,950,174</i>
<i>b</i>	<i>Accumulated depreciation</i>		<i>(9,598,976)</i>	<i>(8,780,091)</i>
3	Intangible fixed assets	13	2,592,569	2,815,317
<i>a</i>	<i>Cost</i>		<i>4,906,881</i>	<i>4,789,089</i>
<i>b</i>	<i>Accumulated amortization</i>		<i>(2,314,312)</i>	<i>(1,973,772)</i>

CONSOLIDATED STATEMENT OF
FINANCIAL POSITION

Form B02/TCTD–HN
*(Issued under Circular
No.49/2014/TT-NHNN dated 31
December 2014)*

as at 31 December 2023

as at 31 December 2023

No.	ITEMS	Note	31/12/2023 (VND million)	31/12/2022 (VND million)
XII	Other assets		30,651,305	60,978,201
1	Receivables	14(a)	11,790,173	24,483,406
2	Accrued interest and fee receivables	14(b)	9,200,022	9,209,121
3	Deferred tax assets	14(c)	848,268	958,065
4	Other assets	14(d)	8,828,305	26,339,829
5	Provision for other on-balance sheet assets	14(d)	(15,463)	(12,220)a
	TOTAL ASSETS		1,839,613,198	1,813,815,170
B	LIABILITIES AND OWNERS' EQUITY			
I	Due to the Government and the State Banks	15	1,670,837	67,314,816
1	Deposits and borrowings from the Government and the State Banks		1,670,837	67,314,816
II	Deposits and borrowings from other credit institutions	16	213,838,980	232,510,850
1	Deposits from other credit institutions		193,963,218	222,040,585
2	Borrowings from other credit institutions		19,875,762	10,470,265
III	Deposits from customers	17	1,395,697,611	1,243,468,471
IV	Derivatives and other financial liabilities	18	117,752	-
V	Funds for finance, entrusted investments and entrusted funds	19	365	3,298
VI	Valuable papers issued	20	19,912,623	25,337,894
VII	Other liabilities		43,362,364	109,533,756
1	Accrued interest and fee payables	21(a)	19,527,028	12,485,332
3	Other liabilities	21(b)	23,835,336	97,048,424
	TOTAL LIABILITIES		1,674,600,532	1,678,169,085
VIII	Owners' equity	22		
1	Capital		61,696,139	53,130,392
a	Charter capital		55,890,913	47,325,166
c	Share premium		4,995,389	4,995,389
g	Other capital		809,837	809,837

CONSOLIDATED STATEMENT OF
FINANCIAL POSITION

Form B02/TCTD–HN
*(Issued under Circular
No.49/2014/TT-NHNN dated 31
December 2014)*

No.	ITEMS	Note	31/12/2023 (VND million)	31/12/2022 (VND million)
2	Reserves		27,447,116	22,556,958
3	Foreign exchange differences		(983,237)	(863,071)
5	Retained earnings		76,758,658	60,733,423
a	Previous year's retained earnings		51,185,561	37,607,427
b	Current year's retained earnings		25,573,097	23,125,996
6	Non-controlling interest		93,990	88,383
	TOTAL OWNERS' EQUITY	22(a)	165,012,666	135,646,085
	TOTAL LIABILITIES AND OWNERS' EQUITY		1,839,613,198	1,813,815,170
CONSOLIDATED OFF-BALANCE SHEET ITEMS				
1	Loan guarantee		306,384	2,151,637
2	Foreign exchange commitments		111,435,962	83,320,732
	Commitments to buy foreign currency		3,375,603	1,027,038
	Commitments to sell foreign currency		3,798,668	1,028,925
	Commitments to conduct swap transactions		104,261,691	81,264,769
4	Letters of credit		76,546,157	84,748,838
5	Other guarantees		53,731,430	48,477,552
6	Other commitments		41,472,190	35,760,608
7	Uncollected interests and fees receivables	45	2,424,612	1,301,468
8	Bad debts written-off	46	67,906,657	60,213,929
9	Other assets and receipts	47	575,204,402	521,264,498

Hanoi, 29 March 2024

Prepared by:

Approved by:



Ms. Nguyen Thi Thu Huong**Ms. La Thi Hong Minh****Ms. Phung Nguyen Hai Yen**

Deputy Director of Financial and Accounting Policy DepartmentChief AccountantDeputy CEO

CONSOLIDATED INCOME STATEMENT

Form B03/TCTD-HN
(Issued under Circular
No.49/2014/TT-NHNN dated 31
December 2014)

as at 31 December 2023

No.	ITEMS	NOTE	2023 (VND million)	2022 (VND million)
1	Interest and similar income	23	108,122,278	88,112,700
2	Interest and similar expenses	24	(54,501,409)	(34,866,222)
I	Net interest and similar income		53,620,869	53,246,478
3	Fee and commission income		12,632,739	12,425,007
4	Fee and commission expenses		(6,853,016)	(5,585,907)
II	Net fee and commission income	25	5,779,723	6,839,100
III	Net gain from trading of foreign currencies	26	5,660,028	5,768,445
IV	Net gain/(loss) from trading securities	27	124,217	(115,194)
V	Net gain from investment securities	28	-	81,595
5	Other operating income		4,050,144	2,928,339
6	Other operating expenses		(1,777,975)	(874,378)
VI	Net gain from other operating activities	29	2,272,169	2,053,961
VII	Income from capital contributions and share purchases	30	266,456	208,436
	TOTAL OPERATING INCOME		67,723,462	68,082,821
VIII	TOTAL OPERATING EXPENSES	31	(21,914,899)	(21,250,512)
IX	Net operating profit before provision for credit losses		45,808,563	46,832,309
X	Provision expense for credit losses	32	(4,564,876)	(9,464,218)
XI	TOTAL PROFIT BEFORE TAX		41,243,687	37,368,091
7	Current corporate income tax expense	33(a)	(8,079,401)	(8,406,860)
8	Deferred income tax (expense)/income	33(b)	(109,838)	957,823

No.	ITEMS	NOTE	2023 (VND million)	2022 (VND million)
XII	Corporate income tax expense		(8,189,239)	(7,449,037)
XIII	NET PROFIT AFTER TAX		33,054,448	29,919,054
XIV	Non-controlling interest		(21,245)	(20,040)
XV	Net profit attributable to the Bank's shareholders		33,033,203	29,899,014
XVI	Earnings per share (VND/share)	34(c)	5,449	4,751

Hanoi, 29 March 2024

Prepared by:Approved by:



Ms. Nguyen Thi Thu Huong
Deputy Director of
Financial and Accounting
Policy Department

Ms. La Thi Hong Minh
Chief Accountant


Ms. Phung Nguyen Hai Yen
Deputy CEO

CONSOLIDATED CASH FLOW STATEMENT

Form B04/TCTD-HN

(Issued under Circular No. 49/2014/TT-NHNN dated 31 December 2014)

for the year ended 31 December 2023 (Direct method)

No.	Items	2023 (VND million)	2022 (VND million)
CASH FLOWS FROM OPERATING ACTIVITIES			
01	Interest and similar income received	108,115,649	86,084,771
02	Interest and similar expenses paid	(47,454,819)	(31,709,129)
03	Net fee and commission income received	4,100,623	5,160,000
04	Net receipts from foreign currencies, gold and securities trading activities	5,242,957	6,001,404
05	Other income/(expenses)	179,388	(351,728)
06	Recovery of bad debts previously written off	2,090,116	2,394,744
07	Payments for employees and other operating activities	(19,932,948)	(19,834,116)
08	Corporate income tax paid during the year	(8,969,967)	(3,976,351)
Net cash flows from operating activities before changes in operating assets and liabilities		43,370,999	43,769,595
(Increase)/decrease in operating assets			
09	Balances with and loans to other credit institutions	10,780,289	(15,019,465)
10	Trading securities	19,792,999	5,431,755
11	Derivatives and other financial assets	156,515	146,687
12	Loans to customers	(125,292,768)	(184,316,295)
13	Utilization of provision for credit losses	(5,758,202)	(3,530,346)
14	Other operating assets	30,781,829	(28,925,742)
Increase/(decrease) in operating liabilities			
15	Due to the Government and the State Banks	(65,643,979)	57,846,700
16	Deposits and borrowings from other credit institutions	(18,671,870)	122,753,073
17	Deposits from customers	152,229,140	108,144,558
18	Valuable papers issued	(5,425,274)	7,950,797
19	Funds for finance, entrusted investments and entrusted funds	(2,933)	(4,409)
20	Derivatives and other financial liabilities	117,752	-
21	Other operating liabilities	(72,173,193)	71,713,235
22	Payments from reserves	(2,802,834)	(2,538,654)
I	Net cash flows (used in)/from operating activities	(38,541,530)	183,421,489

No.	Items	2023 (VND million)	2022 (VND million)
CASH FLOWS FROM INVESTING ACTIVITIES			
01	Payments for purchases of fixed assets	(1,008,160)	(711,567)
02	Proceeds from disposals of fixed assets	9,435	15,753
03	Payments for disposals of fixed assets	(6,770)	(4,808)
08	Proceeds from investments in other entities	-	201,899
09	Dividends and profits received from long-term investments and capital contributions	135,403	106,555
10	Dividends received from previous years	10,685	-
II	Net cash flows used in investing activities	(859,407)	(392,168)
CASH FLOWS FROM FINANCING ACTIVITIES			
04	Dividends paid to shareholders	(15,627)	(3,348,022)
III	Net cash flows used in financing activities	(15,627)	(3,348,022)
IV	Net cash flows during the year	(39,416,564)	179,681,299
V	Cash and cash equivalents at the beginning of the year	412,235,294	232,553,995
VII	Cash and cash equivalents at the end of the year	372,818,730	412,235,294
(Note 35)			

Prepared by:

Approved by:

Hanoi, 29 March 2024


Ms. Nguyen Thi Thu Huong
Deputy Director of Financial and Accounting Policy Department


Ms. La Thi Hong Minh
Chief Accountant


Ms. Phung Nguyen Hai Yen
Deputy CEO

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

Form B05/TCTD–HN

(Issued under Circular
No. 49/2014/TT–NHNN
dated 31 December 2014)

for the year ended 31 December 2023

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

1. REPORTING ENTITY

Establishment and operations

Joint Stock Commercial Bank for Foreign Trade of Vietnam (“the Bank”) was established upon the transformation from a state-owned commercial bank following the approval of the Prime Minister on the equitization plan of the Bank for Foreign Trade of Vietnam and in accordance with other relevant regulations. The Bank was granted Establishment and Operation Licence No. 138/GP–NHNN dated 23 May 2008 by the State Bank of Vietnam (“the SBV”) for a period of 99 years, Enterprise Registration Certificate No. 0100112437 dated 2 June 2008 issued for the 1st time by Hanoi Department of Planning and Investment, amended for the 17th time on 2 January 2024.

The principal activities of the Bank in accordance with Decision No. 2719/QD–NHNN dated 27 December 2011, Decision No. 523/QD–NHNN dated 22 March 2012, Decision No. 1547/QD–NHNN dated 6 August 2014, Decision No. 2182/QD–NHNN dated 26 October 2015, Decision No. 95/QD–NHNN dated 18 January 2017, Decision No. 891/QD–NHNN dated 8 May 2017, Decision No. 2293/QD–NHNN dated 31 October 2017, Decision No. 300/QD–NHNN dated

21 February 2019, Decision No. 2447/QD–NHNN dated 25 November 2019, Decision No. 346/QD–NHNN dated 10 March 2022, Decision No. 700/QD–NHNN dated 19 April 2022 and and Decision No. 1788/QD–NHNN dated 19 September 2023 amending and supplementing to Establishment and Operation Licence No. 138/GP–NHNN on the contents of the Bank’s operations include mobilizing and receiving short, medium and long-term deposits from organizations and individuals; lending to organizations and individuals up to the nature and capability of the Bank’s capital resources; conducting settlement and cash services; providing other banking services as approved by the SBV; investing in associates, joint-ventures and other companies; investing in stocks and bonds and real-estate business in accordance with the relevant regulations; trading in and supplying interest rates derivatives and commodity price derivatives in accordance with the relevant regulations; purchasing debts; trading in and providing foreign exchange services in the domestic and international markets in accordance with the relevant regulations of the SBV.

0100112437 amended for the 17th time on 2 January 2024 and the amendment of Establishment and Operation Licence No. 138/GP–NHNN of Joint Stock Commercial Bank for Foreign Trade of Vietnam under Decision No. 1788/QD–NHNN dated 19 September 2023, the Bank’s charter capital was VND55,890,912,620,000. The par value of the share is VND10,000.

Charter capital

Under Establishment and Operation Licence No. 138/GP–NHNN dated 23 May 2008 issued by the SBV and Business Registration Certificate No. 0103024468 dated 2 June 2008 issued for the 1st time by Hanoi Department of Planning and Investment, the Bank’s charter capital was VND12,100,860,260,000. Under Enterprise Registration Certificate with Enterprise Code No.

	31/12/2023		31/12/2022	
	Number of shares	%	Number of shares	%
Shares owned by the Government of Vietnam	4,180,828,481	74.80%	3,540,074,921	74.80%
Shares owned by foreign strategic shareholder (Mizuho Bank Ltd., Japan)	838,372,264	15.00%	709,883,374	15.00%
Shares owned by other shareholders	569,890,517	10.20%	482,558,276	10.20%
	5,589,091,262	100%	4,732,516,571	100%

Location and network

The Bank’s Head Office is located at 198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2023, the Bank had one (1) Head Office, one (1) Vietcombank Human Resources Development and Training College, two (2) Cash Processing Centers, one hundred and twenty six

(126) branches nationwide, four (4) local subsidiaries, three (3) overseas subsidiaries, two (2) joint-ventures, one (1) associate, one (1) representative office located in the United States of America, one (1) representative office located in Singapore and one (1) representative office located in Ho Chi Minh City.

Subsidiaries, joint-ventures and associates

Subsidiaries

As at 31 December 2023 and 31 December 2022:

Subsidiaries	Operating Licence	Business sector	Ownership percentage of the Bank
Vietcombank Financial Leasing Company Limited	Operation Licence No. 66/GP–NHNN dated 31 October 2017 granted by the SBV	Financial leasing	100%
Vietcombank Securities Company Limited	Operation Licence No. 09/GPHDKD dated 24 April 2002, the most recent amendment is Operation Licence No. 03/GPDC–UBCK dated 16 January 2024 granted by the State Securities Commission of Vietnam (“SSC”)	Securities	100%
Vietnam Finance Company Limited in Hong Kong (“Vinafico”)	Operation Licence No. 58327 dated 10 February 1978 granted by Hong Kong Monetary Authority	Financial services	100%
Vietcombank Remittance Company Limited	Enterprise Registration Certificate No. 0314633162 dated 20 September 2017 and the most recent amendment dated 3 January 2024 granted by Department of Planning and Investment of Ho Chi Minh City	Money remittance	100%
Vietcombank Laos Limited	Operation Licence No. 88/BOL dated 25 May 2018 granted by Bank of the Lao P.D.R	Banking	100%
Vietcombank Money Inc.	Business Registration No. E0321392009–6 dated 15 June 2009 granted by the Authority of the State of Nevada, United States	Money transfer	87.5%
Vietcombank Tower 198 Ltd	Investment Licence No. 1578/GP dated 30 May 1996 and the most recent amendment dated 1 March 2019 granted by the Ministry of Planning and Investment	Office leasing	70%

The Bank and its subsidiaries are hereinafter referred to as "Vietcombank".

Joint ventures

As at 31 December 2023 and 31 December 2022:

Joint ventures	Operating Licence	Business sector	Ownership percentage of the Bank
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited	Investment Licence No. 2458/GP dated 7 February 2005 granted by the Ministry of Planning and Investment and the most recent Amended Licence No. 2458/GCND2/41/1 dated 28 December 2012	Office leasing	52%
Vietcombank Fund Management	Establishment and Operating Licence No. 06/UBCK-GPHDQLQ dated 2 December 2005 granted by the State Securities Commission of Vietnam and the most recent Amended Licence No. 28/GPDC-UBCK dated 25 April 2023	Investment	51%

Associates

As at 31 December 2023 and 31 December 2022:

Associates	Operating Licence	Business sector	Ownership percentage of the Bank
Vietcombank – Bonday Joint-venture Company Limited	Operating Licence No. 283/GP dated 5 December 1991 granted by the Ministry of Planning and Investment and the most recent Amended Licence No. 283/GPDC4 dated 4 March 2002	Office leasing	16%

Number of employees

As at 31 December 2023, Vietcombank had 23,493 employees (31 December 2022: 22,599 employees).

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by Vietcombank in the preparation and presentation of these consolidated financial statements.

Purpose of preparing the consolidated financial statements

The Bank has subsidiaries as disclosed in Note 1(d). The Bank has prepared these consolidated financial statements to meet the prevailing requirements in relation to disclosure of information, specified under Circular No. 96/2020/TT-BTC dated 16 November 2020 issued by the Ministry of Finance on disclosure

of information on the securities market ("Circular 96"). In addition, as required by Circular 96, the Bank has also prepared the separate financial statements of the Bank for the year ended 31 December 2023 ("the separate financial statements"), which were issued on 29 March 2024.

Basis of financial statement preparation

The consolidated financial statements, presented in Vietnam Dong ("VND") and rounded to the nearest million VND ("VND million"), have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions ("CIs") issued by the State Bank of Vietnam and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

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

Accounting period

Vietcombank's annual accounting period is from 1 January to 31 December.

Changes in accounting policies

The accounting policies adopted by the Bank in preparation of the consolidated financial statements are consistent with those followed in the preparation of the consolidated financial statements for the year ended 31 December 2022, except for:

Circular No. 02/2023/TT-NHNN providing instructions for credit institutions and foreign bank branches on rescheduling the debt repayment term and keeping loan group unchanged to support customers in difficulties ("Circular 02")

On 23 April 2023, the SBV issued Circular 02 providing instructions for credit institutions and foreign bank branches on rescheduling the debt repayment term and keeping loan group unchanged to support customers having difficulties in production and business activities and customers having difficulties in repaying consumer loans with main contents include:

- Scope and conditions for debt with the rescheduled debt repayment term;
- Principles of retaining the debt categories and classification of debts, accounting for accrued interest and making provision for outstanding debts whose principal and/or interest balances have been rescheduled for repayment.

Circular 02 takes effect from 24 April 2023.

Foreign currency transactions

All transactions are recorded in original currencies. Monetary assets and liabilities denominated in foreign currencies are translated into VND using the exchange rates prevailing at the reporting date.

Non-monetary assets and liabilities denominated in foreign currencies are translated into VND at the exchange rate at the transaction date. Income and expenses arising in foreign currencies are converted into VND in the consolidated income statement at the spot exchange rates at the transaction date.

Foreign exchange differences arising during the year are recorded in the consolidated income statement.

To prepare the consolidated financial statements with consolidation method

for the subsidiaries and equity method for the associates and joint-ventures of which their accounting currencies are not VND, assets, liabilities and equity accounts of those subsidiaries, associates and joint-ventures are converted to VND at spot exchange rates at the reporting date, and the consolidated income statement are converted to VND at the average exchange rate for the accounting period. In case the fluctuation range of the exchange rate between the beginning and the end of the year is above 20%, the spot exchange rate at the reporting date is applied.

Exchange differences arising from the conversion are recognized in equity in the consolidated statement of financial position.

Basis of consolidation

Subsidiaries

Subsidiaries are entities controlled by the Bank. The control exists when the Bank has the power to govern the financial and operating policies of an entity to obtain economic benefits from its activities. In assessing the control, potential voting rights that are presently exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that the control commences until the date that the control ceases.

Inter-company balances, transactions, and incomes/expenses on transactions between the subsidiaries and the Bank are eliminated in full when preparing the consolidated financial statements. The accounting policies of subsidiaries have been changed if necessary to ensure the consistency with the policies adopted by the Bank.

Non-controlling interest represents the portion of the profit or loss and net assets of a subsidiary attributable to equity interests that are not owned, directly or indirectly through subsidiaries, by the Bank.

Associates and joint-ventures

Associates are those entities to which the Bank has significant influence, but not control, over their financial and operating policies.

Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with the State Banks, Government treasury bills and other short-term valuable papers eligible for rediscounting with the SBV, balances with and loans to other credit institutions with an original maturity of not exceeding three months from the transaction date, securities with

Balances with and loans to other credit institutions

Balances with other credit institutions, (except for demand deposits and deposits with Vietnam Bank for Social Policies in accordance with SBV's regulation of State credit institutions maintaining deposit balance with Vietnam Bank for Social Policies), are term deposits with other credit institutions and foreign bank branches with original maturity terms not exceeding three months.

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

Demand deposits with other credit institutions are stated at the amount of the outstanding principal.

Term deposits with and loans to other credit institutions are stated at the amount of the outstanding principal less any specific provision for credit risk.

Loans to customers

Loans to customers

Loans to customers are presented in the consolidated statement of financial position at the principal amounts outstanding as at the reporting date.

Provision for credit losses on loans to customers is recognized and presented in a separate line on the consolidated statement of financial position. Provision for credit losses comprises specific provision for credit losses and general provision for credit losses.

Debt classification

Prior to 1 October 2021

Vietcombank performed debt classification for loans to customers in accordance with the requirements of Circular No. 02/2013/TT-NHNN dated 21 January 2013 issued by the SBV on the classification of assets, levels and method of setting up of

recovery or maturity period of not exceeding three months from date of purchase which are readily convertible into defined amounts of cash and that are subject to an insignificant risk of change in value, and held for the purpose of meeting short-term payment commitments rather than for investment or other purposes.

Debt classification of term deposits with and loans to other credit institutions and provision for credit risk thereof is made in accordance with the requirements of Circular No. 11/2021/TT-NHNN issued by the SBV on 30 July 2021, stipulating the classification of assets, rates and method of setting up risk provision and the use of provisions against credit risks in banking activity of credit institutions and foreign bank branches ("Circular 11"). Accordingly, Vietcombank makes specific provision for term deposits with and loans to other credit institutions in accordance with the accounting policy described in Note 2(i).

According to Circular 11, Vietcombank is not required to make general provision for balances with and loans to other credit institutions.

risk provisions, and use of provisions against credit risks in the banking activity of credit institutions, foreign bank branches ("Circular 02") and Circular No. 09/2014/TT-NHNN dated 18 March 2014 issued by the SBV on amending, supplementing a number of Articles of the Circular 02 ("Circular 09").

Since 1 January 2010, Vietcombank has applied Article 7, Decision No. 493/2005/QĐ-NHNN dated 22 April 2005 issued by the SBV to make debt classification based on the qualitative method as approved by the SBV. However, according to Circular 02, Vietcombank is required to classify loans and off-balance sheet commitments in accordance with both Article 10 and Clause 1 of Article 11, Circular 02. Accordingly, in case the classification of a debt in accordance with Article 10 and Clause 1 of Article 11, Circular 02 is different, the debt is to be classified into the group of higher risk.

Since 1 January 2015, Vietcombank has used the information from Credit Information Center ("CIC") about the loan group of customers at the time of debt classification to adjust the loan group, off-balance sheet commitments. If a customer's debts and off-balance sheet commitments are classified in a loan group that has a lower risk than the loan groups provided in CIC's list, Vietcombank shall adjust its classification of loans and off-balance commitments following the loan groups provided by CIC.

From 1 October 2021

Vietcombank performs debt classification for loans to customers in accordance with the requirements of Circular 11.

Since 1 January 2010, Vietcombank has applied Article 7, Decision No. 493/2005/QĐ-NHNN dated 22 April 2005 issued by the SBV to make debt classification based on the qualitative method as approved by the SBV. According to Circular 11, Vietcombank continues to classify debts based on qualitative method in accordance with the approval letter of the SBV and classify debts and off-balance sheet commitments in accordance with both Article 10 and Clause 1 of Article 11, Circular 11. Accordingly, in case the classification of a debt in accordance with Article 10 and Clause 1 of Article 11, Circular 11 is different, the debt shall be

classified into the group of higher risk.

Since 1 January 2015, Vietcombank has used the information from Credit Information Center ("CIC") about the debt group of customers at the time of debt classification to adjust the debt group, off-balance sheet commitments. If a customer's debts and off-balance sheet commitments are classified in a debt group that has a lower risk than the debt groups provided in CIC's list, Vietcombank shall adjust its classification of debts and off-balance commitments following the debt groups provided by CIC.

Debt classification for loans which the debt repayment term is restructured, interest and fees are exempted or reduced in order to assist customers affected by Covid-19 pandemic

Prior to 17 May 2021

Vietcombank has applied Circular No. 01/2020/TT-NHNN date 13 March 2020 ("Circular 01") issued by the SBV regulating credit institutions and foreign bank branches on the debt repayment term restructuring, interests and fees exemption or reduction and debt classification retention in order to support customers affected by Covid-19 pandemic. Accordingly, for customers with obligations of paying principals and/ or interest during the period from 23 January 2020 to the day after 3 months from the day the Prime Minister declares

the end of the Covid-19 pandemic, and the borrowers who are not able to repay the principal and/or interest in accordance with the payment schedules specified in the signed loan contract/agreement due to decrease in revenue, profit caused by the effect of Covid-19 pandemic, Vietcombank is allowed to reschedule the repayment period for these debts while maintaining the same loan group as classified at most recent date before 23 January 2020.

From 17 May 2021 to before 7 September 2021

Vietcombank has applied Circular No. 03/2021/TT-NHNN dated 2 April 2021 ("Circular 03") issued by the SBV amending and supplementing certain articles of Circular 01. Accordingly, the customers whose loans were disbursed before 10 June 2020 and incurred obligations of paying principals and/ or interest during the period from 23 January 2020 to 31 December 2021, and those customers are unable to pay the principal and/or interest in accordance to the payment schedules specified in signed loan contracts/ agreements due to decrease in revenue, income caused by Covid-19 pandemic, Vietcombank is allowed to reschedule loan repayment term, exempt or reduce interest and fees, and keep the loan group unchanged as classified in accordance with Circular 02 as follows:

Loan disbursement timing	Period of debt payment obligation occurrence	Overdue status	Period of overdue occurrence	Principle of keeping loan group unchanged
Before 23/1/2020		Not past due or overdue up to 10 days	From 30/3/2020 to before 31/12/2021	Keeping the loan group unchanged as classified at the most recent date before 23/1/2020.
		Overdue	From 23/1/2020 to 29/3/2020	
From 23/1/2020 to before 10/6/2020	From 23/1/2020 to 31/12/2021	Not past due or overdue up to 10 days	From 17/5/2021 to before 31/12/2021	Keeping the loan group unchanged as classified at the most recent date before the date of first rescheduling loan repayment period.
		Overdue	From 23/1/2020 to before 17/5/2021	Keeping the loan group unchanged as classified at the most recent date before the date the loan becomes overdue.

From 7 September 2021

Vietcombank has applied Circular No. 14/2021/TT-NHNN dated 7 September 2021 ("Circular 14") issued by the SBV amending and supplementing certain articles of Circular 01. Accordingly, the customers whose loans were disbursed before 1 August 2021 and incurred obligations of paying principals and/or interest during the year from 23 January 2020 to 30 June 2022; and those customers are unable to pay the principal and/or interest in accordance to the payment schedules specified in signed loan contracts/ agreements due to decrease in revenue, income caused by Covid-19 pandemic, Vietcombank is allowed to reschedule loan repayment term, exempt or reduce interest and fees, and keep the loan group unchanged as follows:

Loan disbursement timing	Period of debt payment obligation occurrence	Overdue status	Period of overdue occurrence	Principle of keeping loan group unchanged
Before 23/1/2020		Not past due or overdue up to 10 days	From 30/3/2020 to 30/6/2022	Keeping the loan group unchanged as classified at the most recent date before 23/1/2020.
From 23/1/2020 to before 1/8/2021		Not past due or overdue up to 10 days	From 17/5/2021 to before 17/7/2021 or from 7/9/2021 to 30/6/2022	Keeping the loan group unchanged as classified at the most recent date before the date of first rescheduling loan repayment period.
Before 23/1/2020	From 23/1/2020 to 30/6/2022	Overdue	From 23/1/2020 to 29/3/2020	Keeping the loan group unchanged as classified at the most recent date before 23/1/2020.
From 23/1/2020 to before 10/6/2020		Overdue	From 23/1/2020 to before 17/5/2021	Keeping the loan group unchanged as classified at the most recent date before the date the loan becomes overdue.
From 10/6/2020 to before 1/8/2021		Overdue	From 17/7/2021 to before 7/9/2021	

For the loan balances which the repayment term is rescheduled, interest is exempted or reduced and loan group is retained during the restructured term and their repayment period is not further rescheduled by Vietcombank in accordance with prevailing regulations: Vietcombank classifies these debts in accordance with Circular 11, taking into account the number of times of rescheduling repayment period and keeping loan group unchanged (regardless of whether the debt has passed the probation period or not).

Debt classification for rescheduling debt and keeping loan group unchanged to support customers in difficulties in accordance with Circular No. 02/2023/TT-NHNN

From 24 April 2023

The Bank has applied Circular No. 02/2023/TT-NHNN dated 24 April 2023 ("Circular 02") issued by the SBV providing regulations for credit institutions and foreign bank branches on rescheduling the debt repayment term and keeping loan group unchanged to support customers in difficulties. Accordingly, the Bank considers restructuring the repayment term for the outstanding balance of principal and/or interest of the debt (including debts within the scope of the amended and supplemented Decree 55/2015/ND-CP dated 9 June 2015 issued by the Government on the credit policy for agricultural and rural development) on the basis of the customer's request and simultaneously satisfying the following criteria:

- Principal balance disbursed before 24 April 2023 and from loan activities;

- Obligation of principal and/or interest payments occurs from 24 April 2023 to 30 June 2024;

- The outstanding balance of the restructured loan is undue or overdue up to ten (10) days from the payment due date, the repayment term according to the contract, signed agreement;

- The borrower is unable to repay the principal and/or interest on schedule under the contract, signed agreement because actual revenue or income is declined below revenue and income that is specified in the principal and/ or interest repayment plan under the contract, signed agreement;

- The customer is able to fully repay the principal and/or interest after the debt is rescheduled;

- The debt does not violate the law.

Specific provision for credit risk

Prior to 1 October 2021

In accordance with the requirements of Circular 02, specific provision for credit risk of debts at the end of each quarter is determined based on the provision rates corresponding to the results of debt classification and outstanding principals of debts at the last working day of each quarter (for the last quarter of the annual accounting period, specific provision for credit risk is determined based on the provision rates corresponding to the results of debt classification and outstanding principals of loan at the last working day of the second month of the last quarter of the annual accounting period) less deductible value of collateral.

From 1 October 2021

In accordance with the requirements of Circular 11, specific provision for credit risk of debts at the end of each month is determined based on the provision rates corresponding to the results of debt classification and outstanding principals of loan at the last day of the month less deductible value of collateral.

Specific provision is calculated based on the following provision rates corresponding to the outstanding principals of loans less deductible value of collaterals:

	Provision rate
Group 1 – Current debts	0%
Group 2 – Special mention debts	5%
Group 3 – Sub-standard debts	20%
Group 4 – Doubtful debts	50%
Group 5 – Loss debts	100%

Bad debts are debts in Groups 3, 4 and 5.

For the loans which the repayment term is rescheduled, interest and fees are exempted or reduced in order to support customers affected by Covid-19 pandemic, Vietcombank determines and recognizes the additional specific provision for the entire outstanding loan balance of customers, including

the loan balances having rescheduled repayment term, exempted or reduced interest according to the results of debt classification in accordance with Circular 11 (without applying the provision of keeping loan group unchanged under Circular 03) as follows:

Additional provision	Thời hạn trích
At least 30% of the required additional specific provision	By 31 December 2021
At least 60% of the required additional specific provision	By 31 December 2022
100% of the required additional specific provision	By 31 December 2023

For the loans having rescheduled repayment term and keeping loan group unchanged in order to support customers according to Circular 02, Vietcombank determines and recognizes the additional specific provision for the entire outstanding loan

balance of customers, including the loan balances having rescheduled repayment term according to the results of debt classification in accordance with Circular 11 (without applying the provision of keeping loan group unchanged under Circular 02) as follows:

Additional provision	Deadline
At least 50% of the total required additional specific provision	By 31 December 2023
100% of the total required additional specific provision	By 31 December 2024

By 31 December 2023, Vietcombank has made 100% of the additional specific provision for loans having rescheduled repayment term, exempted or reduced interest and fees in order to

support customers affected by Covid-19 pandemic and debts have rescheduled repayment terms and kept the same debt group to support customers in difficulty according to Circular 02 above.

General provision for credit risk

Prior to 1 October 2021

Vietcombank made general provision at 0.75% total outstanding principals at the last working day of each quarter (for the last quarter of the annual accounting period, general provision for credit risk is determined at 0.75% of total outstanding principals at the last working day of the second month of the last quarter of the annual accounting period) of the loans classified in Group 1 to Group 4.

From 1 October 2021

Vietcombank makes general provision at 0.75% total outstanding principals at the last day of each month of the loans classified in Group 1 to Group 4.

Bad debts written-off

According to Circular 11, Vietcombank writes off bad debts in the following cases:

- Borrowers who are dissolved, bankrupted under legal regulations (in case of legal entities); or are deceased or missing (in case of individuals);
- Debts are classified into Group 5.

Investments

Trading securities

Trading securities are debt securities, equity securities and other securities which are acquired and held for the purpose of reselling within one year to gain profit on price variances.

Trading securities are initially recognized at cost. Subsequently, listed trading securities are recognized at loss less provision for credit losses and provision for diminution in value of securities.

Provision for diminution in value of securities is made in accordance with Circular No.48/2019/TT-BTC dated 8 August 2019 issued by the Ministry of Finance providing guidance on making and settlement of provisions for devaluation of inventory, losses of financial investments, bad debts and warranty at enterprises ("Circular 48") and Circular No.24/2022/TT-BTC dated 7 April 2022 issued by the

Ministry of Finance amending and supplementing a number of Articles of the Circular 48 ("Circular 24").

Provision for credit losses on corporate bonds (including bonds issued by other credit institutions) which have not been listed on the stock market or have not yet been registered for trading on the Upcom trading system is made in accordance with Circular 11.

Provision for trading securities which is mentioned above is reversed when the recoverable amount of trading securities increases after making provision as a result of an objective event. Provision is reversed up to the gross value of these securities before provision.

Gains or losses from the sales of

trading securities are recognized in the consolidated income statement.

Investment securities

Investment securities are classified into two categories: available-for-sale and held-to-maturity investment securities. Vietcombank classifies investment securities on their purchase dates. In accordance with Official Letter No. 2601/NHNN-TCKT dated 14 April 2009 by the SBV, Vietcombank is allowed to reclassify investment securities once, at maximum, after the acquisition date.

Available-for-sale investment securities

Available-for-sale securities are debt securities, equity securities or other securities, which are acquired for an indefinite period and may be sold at any time. For equity securities, the investee is not a subsidiary, associate or joint venture of Vietcombank and Vietcombank is neither a founding shareholder nor a strategic partner; nor has the impact on the enterprise's planning and determining of financial and operating policies under agreements to appoint personnel to the Members' Council/Board of Directors/ Board of Management.

Post-acquisition interest income from available-for-sale debt securities is recognized in the consolidated income statement on the accrual basis.

Held-to-maturity investment securities

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

Post-acquisition interest income from held-to-maturity securities is recognized in the consolidated income statement on the accrual basis.

Investment securities are initially recognized at cost, including transaction costs and other directly attributable costs. They are subsequently measured at amortized cost less provision for investment securities. Premiums and discounts arising from purchases of debt securities are amortized in the consolidated income statement using the straight-line method over the period from the acquisition date to the maturity date.

Provision for investment securities

Investment securities which are unlisted corporate bonds except for bonds issued by credit institutions are classified and made provision for credit risk in accordance with the requirements of Circular 11 as described at Note 2(i). For other available-for-sale investment securities, provision for diminution in the value of securities is made if their market price decreases to below their cost. For other held-to-maturity securities, provision for diminution in the value of securities is made when there is indication of prolonged decline in securities prices or there is certain evidence that it is difficult for Vietcombank to fully recover the investment amount.

According to Circular 24, Vietcombank is not required to make provision for Government, Government-guaranteed and municipal bonds from the fiscal year 2022.

Long-term investments

Other long-term investments represent Vietcombank's equity investments in other enterprises where Vietcombank owns less than 11% of voting rights and is either a founding shareholder or a strategic partner; or has influences on the enterprise's planning and determining of financial and operating policies under agreements to appoint personnel to the Members' Council/Board of Directors/Board of Management but Vietcombank does not have control or significant influence over the investees.

Other long-term investments include equity securities and other long-term capital contributions which are intended to hold for more than one year (except for capital contributions and investments into joint-ventures, associates and subsidiaries).

Other long-term investments are initially recognized at cost less provision for diminution in the value of investments.

For investments in unlisted equity securities, the provision for diminution in the value of long-term investments is made for the local economic entity owned by Vietcombank at the end of the annual accounting period which has signs of decrease in value compared to Vietcombank's carrying value in accordance with Circular 48. Accordingly, the provision amount for the investment is the difference between the parties' actual investment capital at the economic entity receiving capital contribution and actual equity capital of economic entity at the time of provisioning multiplied (x) by the actual rate of charter capital (%) of Vietcombank at the economic entity at the time of provisioning. For an investment in listed securities or investments whose market price can be determined reliably, provision is made based on the securities' market price.

Repurchase and reverse repurchase agreements

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

Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use on the site where it is located.

In accordance with Circular No. 45/2013/TT-BTC dated 25 April 2013 issued by the Ministry of Finance ("Circular 45") guiding the framework of management, use and depreciation of fixed assets, assets shall be considered as fixed assets if they meet all the following three criterias:

- It is certain to gain future economic benefits from the use of such assets;
- The useful life of assets is above one year;

Securities purchased under agreements to resell at a specific date in the future are not recognized in the consolidated financial statements. The corresponding cash paid under these agreements is recognized in the consolidated statement of financial position as a loan to customer. The difference between the purchase price and resale price is amortized in the consolidated income statement over the term of the agreement using the straight-line method.

be reliably determinable, with a minimum value of VND30,000,000.

Expenditures incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, are normally charged to the consolidated income statement for the year in which the costs are incurred. In case it can be clearly demonstrated that these expenditures have resulted in an increase in the expected future economic benefits obtained from the use of these tangible fixed assets beyond their originally assessed standard level of performance, the expenditures will be capitalised as an additional cost of tangible fixed assets.

Depreciation

Depreciation is calculated on a straight-line basis over the estimated useful life of each asset as follows:

Buildings and structures	5 – 25 years
Machinery and equipment	3 – 5 years
Means of transport, transmission equipment	6 years
Other tangible fixed assets	4 years

Intangible fixed assets

Land use rights

According to Circular 45, land use rights recognized as intangible fixed assets comprise:

- The land use rights granted by the State with land use fee or receiving the transfer of legal land use rights (including definite and indefinite land use rights);
- The rights to use the leased land before the effective date of the Land Law 2003 but the rent has been paid for the leasing time or paid in advance for many years and the remaining paid land lease term is at least five years and granted with certificate of land use rights by the competent authority.

The initial cost of land use rights is determined as the total amount paid to have the land use rights plus costs of site clearance, ground levelling, registration fee (excluding costs of construction on that land) or the value of land use rights with contributed capital.

Land use rights not recognized as intangible assets comprise:

- Land use rights granted by the State without land use fee;

- For lease of land whose payment is made once at the beginning for the entire lease period (the land is leased after the effective date of Law on Land 2003, whose land use right certificate is not granted), the lease payment is amortized gradually to operating expenses of Vietcombank over the lease term;
- In case lease payment is made annually, rental fee is recorded into operating expenses of the period corresponding to the annual lease payment.

According to Circular 45, intangible fixed assets which are indefinite term land use rights with land use fee or receiving the legal indefinite term land use rights are not amortized.

For the intangible fixed assets which are the value of definite land use rights with term or the leased land use rights, the amortization period is the year permitted for land use of Vietcombank.

Licenses, patents and other intangible fixed assets

Licenses, patents and other intangible fixed assets are stated at cost less accumulated amortization. These intangible fixed assets are amortized on a straight-line basis over 3 – 4 years.

or being prosecuted, detained or tried by law enforcement bodies or serving a sentence; or suffering from a serious illness (certified by the hospital); deceased; or those remains irrecoverable after Vietcombank filing a lawsuit due to its debtor had fled from his/her residence; the debt which has been sued for debt collection by Vietcombank but the case has been suspended.

Other assets

Except for receivables from uncollectible income as presented in Note 2(u)(iv), provision for overdue other assets which are not classified as assets bearing credit risk are made in accordance with Circular 48 and Circular No. 200/2014/TT-BTC issued by the Ministry of Finance on 22 December 2014 ("Circular 200"). Accordingly, provision for these other assets is based on their overdue period or estimated irrevocable loss for debts that are not due but Vietcombank has collected evidence to identify that debtor has become bankrupt, filing for bankruptcy or has absconded;

Overdue period	Provision rate
From six (6) months to less than one (1) year	30%
From one (1) year to less than two (2) years	50%
From two (2) years to less than three (3) years	70%
From three (3) years and above	100%

For other assets that are classified as assets bearing credit risk, Vietcombank classifies and makes provision similar to that for loans to customers described in Note 2(i).

Deposits and borrowings from other credit institutions

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

Deposits from customers

Deposits from customers are stated at cost.

Valuable papers issued

Valuable papers issued are stated at cost and accumulated amortized premiums or discounts. Cost of valuable papers issued includes the proceeds from the issuance less directly attributable costs.

Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for Vietcombank for 12 months or more ("the eligible employees") voluntarily terminates his/her labour contract, Vietcombank is required to pay the eligible employee severance allowance calculated based on years of service until 31 December 2008 and employee's average monthly salary of the latest six-month period until termination.

Bonus and welfare fund

Bonus and welfare fund is appropriated from profit after tax in accordance with the Resolution of the General Meeting of Shareholders and recorded as liabilities in the consolidated statement of financial position. The bonus and welfare fund is used for the purposes specified in Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government ("Decree 93").

Capital and reserves

Ordinary shares

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

Share premium

On receipt of capital from shareholders, the difference between the issuance price and the par value of the shares is recorded in share premium under equity.

Treasury shares

Treasury shares are recognized only in respect of repurchased shares which are aggregated fractions of share arising when the Bank issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased odd-lots of shares as requested by the shareholders. Odd shares are shares representing the share capital formed by the combination of fractional shares divided proportionally to investors. In all other cases, when shares recognized as equity are repurchased, their par value amount is recognized as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

Reserves

Reserves are used for specific purposes and appropriated from net profit after

tax of the Bank, Vietcombank Finance Leasing Company Limited ("VCBL") and Vietcombank Laos Limited (VCB Laos) at prescribed rates as below:

- Supplementary charter capital reserve: 5% of net profit after tax of each entity (not applicable to VCB Laos). According to Decree 93, the maximum balance for this reserve does not exceed charter capital of the Bank/VCBL.
- Financial reserve: 10% of net profit after tax of each entity. The maximum balance for this reserve is not specified under Decree 93.
- Investment and development fund and other funds: appropriated following the resolutions of the General Meeting of Shareholders/ Members' Council and in accordance with relevant statutory regulations.

The remaining net profit after tax, after appropriation to reserves and dividends payment, is recorded as retained earnings.

Foreign exchange differences

Foreign exchange differences are differences arising when financial statements in foreign currencies of overseas subsidiaries are converted to VND for the purpose of preparing the consolidated financial statements

Income and expenses

Interest income and interest expenses

Vietcombank recognizes interest income from debts classified in Group 1 – Current debts as defined in Note 2(i) on the accrual basis. Interest receivable from debts whose debt groups are retained as Group 1 – Current debts as a result of implementing the State's policies and interest receivable from debts classified in Group 2 to Group 5 are recognized in the consolidated income statement upon receipt.

Interest expenses are recorded on the accrual basis.

Fee and commission income and cash dividend income

Fee and commission income are recognized on the accrual basis.

Cash dividends from investment activities are recognized in the consolidated income statement when Vietcombank's right to receive dividend is established.

Share dividends

In accordance with Circular 200, share dividends distributed from retained earnings, share premium and reserves in equity of joint stock companies are not recorded as an income in the consolidated income statement. Instead, the additional shares received are reflected as an increase in the number of shares held by Vietcombank.

Recognition of receivables not yet collected

According to Circular No. 16/2018/TT-BTC dated 7 February 2018 issued by the Ministry of Finance, receivables that are recognized as income but not yet collected at the due date are recorded as a reduction of income if the due date is within the same accounting period, or recorded as an expense if the due date is not within the accounting period, and must be monitored on the off-balance sheet for following-up on collection. Upon actual receipt of these receivables, Vietcombank recognizes them in other income.

Leases

Lessee

Payments made under operating leases are recognized in the consolidated income statement on a straight-line basis over the lease term.

with the quantitative method as stipulated in Article 10 of Circular 11 from 1 October 2021 and Article 11 of Circular 02 prior to 1 October 2021.

Lessor

Vietcombank recognizes finance lease assets as "Loans to customers" in the consolidated statement of financial position at the net value of the investment defined in the lease contract. Financial leases are recognized as principal outstanding for loans to customers and income from finance leases is recognized as "Income from interest and similar income". Instalment income is amortized over the lease term using interest rate over the net investment of the lease assets. The debt classification of finance lease receivables is made in accordance

Vietcombank recognizes operating lease assets in the consolidated statement of financial position. Operating lease income is recognized on a straight-line basis over the lease term regardless of payment method. Expenses occurred during the leasing period, including depreciation expenses are recognized as operating expenses for the period.

Corporate income tax

Corporate income tax comprises current and deferred tax. Corporate income tax is recognized in the consolidated income statement except that it relates to items recognized directly to equity, in which case it is recognized in equity.

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

Deferred income tax is calculated for the temporary differences between the carrying amounts of assets and liabilities

for financial reporting purposes and the amounts used for taxation purposes. The amount of deferred income tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities using tax rates enacted or substantively enacted at the end of the accounting period.

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

Related parties

Related parties of Vietcombank include:	members of the Supervisory Board, capital contributors or shareholders who hold at least 5% of charter capital or share capital with voting rights of the Bank;
<ul style="list-style-type: none">Individuals or organizations which have the authority to appoint managers or members of the Supervisory Board of the parent company of the Bank;Management personnel or members of the Supervisory Board of the Bank;Companies or organizations which have the authority to appoint management personnel, members of the Supervisory Board of the Bank;Wives, husbands, parents, children (including foster parents, foster children, parents-in-law, sons-in-law, daughters-in-law, step-parents, step-children), siblings (including half siblings), brothers-in-law, sisters-in-law of management personnel,	<ul style="list-style-type: none">Individuals or organizations that hold at least 5% of charter capital or share capital with voting rights of Bank; andIndividuals who are authorized to represent the Bank's contributed capital and shares.
	The Government of Vietnam, through the State Bank of Vietnam, is a shareholder of the Bank. Therefore, in these consolidated financial statements, some Government agencies, including the Ministry of Finance and the State Bank of Vietnam are considered as related parties of Vietcombank.

Segment reporting

A segment is a distinguishable component of Vietcombank engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments.

Off-balance sheet items

Currency contracts	
Vietcombank involves in currency forward and currency swap contracts to facilitate customers' transferring, adjusting or reducing foreign exchange risk or other market risks, and also serve Vietcombank's business purposes.	recognized in the consolidated income statement on a straight-line basis over the term of the forward contracts.
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 reporting date. Differences on revaluation are recognized under "Foreign exchange differences" in the equity and are recorded in the consolidated income statement at the end of the accounting period. Differences between the amount in VND of the foreign currency amounts which are committed to buy/sell at forward rate and spot rate are	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. Premiums/discounts arising from the difference of the spot exchange rate at the effective date of the contracts and the forward exchange rate will be recognized immediately on the effective date of the contracts as an asset if they are positive or as a liability if they are negative in the consolidated statement of financial position. This difference is amortized to the consolidated income statement on a straight-line basis.

Interest swap contracts

Interest swap contracts are commitments to settle interest amounts based on a floating rate or a fixed rate calculated on the same notional amount. The value of commitment in interest rate swap contracts is not recognized on the consolidated statement of financial position. Differences in interest rate swaps are recognized in the consolidated income statement on the accrual basis.

Commitments and contingent liabilities

Vietcombank has credit commitments arising from its regular lending activities. These commitments are unutilized loans and overdraft facilities which are

approved. Vietcombank 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 advance payment, in whole or in part. Therefore, these commitments and contingent liabilities do not represent expected future cash flows.

According to Circular 11, Vietcombank has to classify guarantees, payment acceptances and irrevocable lending commitments with specific effective date into 5 groups, similar to loans to customers for management purpose (Note 2(i)).

Offsetting

Financial assets and liabilities are offset and the net amounts are reported in the consolidated statement of financial position if, and only if, Vietcombank has currently enforceable legal rights to offset the recognized amounts and Vietcombank has an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Basic earnings per share

Vietcombank presents basic earnings per share ("EPS") data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Bank (after adjustment for appropriation to bonus and welfare funds) by the weighted average number of ordinary shares outstanding during the period.

If new shares issued during the year only change the number of shares without changing the equity, Vietcombank will adjust the weighted average number of ordinary shares outstanding during the period presented in the consolidated financial statements, which leads to corresponding adjustment for EPS.

3. PRESENTATION OF FINANCIAL INSTRUMENTS IN ACCORDANCE WITH CIRCULAR NO. 210/2009/TT-BTC

During its business operations, Vietcombank regularly enters into contracts which give rise to financial assets, financial liabilities and equity instruments.

	Financial assets of Vietcombank mainly include:	Financial liabilities of Vietcombank mainly include:
	<ul style="list-style-type: none">• Cash;• Balances with the State Banks;• Balances with and loans to other credit institutions;• Loans to customers;• Trading securities;• Investment securities;• Capital contributions, long-term investments;• Derivative financial assets; and• Other financial assets.	<ul style="list-style-type: none">• Due to the Government and the State Banks;• Deposits and borrowings from other credit institutions;• Deposits from customers;• Funds for finance, entrusted investments and entrusted funds;• Valuable papers issued;• Derivative financial liabilities; and• Other financial liabilities.

Classification of financial assets and liabilities

Only for the disclosure purpose in the consolidated financial statements, Vietcombank classifies financial assets and financial liabilities in accordance with Circular No. 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance (*Circular 210*).

Financial assets are classified as:	Financial liabilities are classified as:
<ul style="list-style-type: none">• Financial assets held for trading;• Held-to-maturity investments;• Loans and receivables; and• Available-for-sale financial assets.	<ul style="list-style-type: none">• Financial liabilities held for trading; and• Financial liabilities carried at amortized cost.

Recognition

Financial assets and financial liabilities are recognized in the consolidated statement of financial position if and only if Vietcombank enters into a contractual relationship for the supply of the relevant financial instrument. Vietcombank recognizes financial assets and financial liabilities at the date Vietcombank signs and performs in accordance with the effective contract terms (transaction date accounting).

Derecognition

Vietcombank derecognizes financial assets when and only when the right to receive cash flows from the financial assets terminated or Vietcombank has transferred substantially all risks and rewards of ownership of the financial asset. A financial liability is derecognized only when the liability has been settled (the obligation has been fulfilled, canceled or expired).

Measurement and disclosures of fair value

In accordance with Circular 210, Vietcombank has to disclose the fair value of financial assets and financial liabilities to compare with the book value of those financial assets and financial liabilities as disclosed in Note 43(b).

The disclosure of fair value of the financial instruments is only for the disclosure purpose in Note 43(b). The financial instruments of Vietcombank are still recognized and recorded in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to Credit Institutions issued by the SBV and the relevant statutory requirements applicable to financial reporting as described in the notes above.

Fair value is the amount for which an asset could be exchanged, or a liability settled, among knowledgeable, willing parties in an arm's length transaction on the measurement date.

When an active market exists for a financial instrument, Vietcombank measures the fair value of that instrument using its quoted price in the active market. A market is regarded as active if quoted prices are readily and regularly available and represent actual and regularly occurring market transactions.

In case there is not enough information to utilize valuation techniques, fair value of the financial instruments without quoted market prices in the active market are deemed not to have been reliably measured and therefore, not disclosed.

4. CASH, GOLD, SILVER AND GEMSTONES

	31/12/2023 VND million	31/12/2022 VND million
Cash on hand in VND	11,729,516	14,798,349
Cash on hand in foreign currencies	2,774,853	3,549,739
Valuable papers in foreign currencies	480	446
	14,504,849	18,348,534

5. BALANCES WITH THE STATE BANKS

	31/12/2023 VND million	31/12/2022 VND million
Balances with the State Bank of Vietnam (i)	57,937,612	92,451,768
Balances with Bank of the Lao L.D.R (ii)	166,891	106,041
	58,104,503	92,557,809

(i)Balances with the SBV consist of compulsory reserve (*CRR*) balance and current deposits balance exceeding CRR.

The average balance of the demand deposits of the Bank with the SBV must not be less than the periodic balance of CRR. The amount of CRR during the CRR maintenance period is calculated by their respective CRR rates applicable to the Bank for each type of deposits during CRR maintenance period multiplied by the average balances of reservable deposits hold during the reserve computation period corresponding to that type of deposits.

The CRR rates at the year-end according to the SBV’s requirement were as follows:

Type of deposits	31/12/2023	31/12/2022
Demand deposits and deposits in VND with terms of less than 12 months	3%	3%
Deposits in VND with terms of 12 months and above	1%	1%
Demand deposits and deposits in foreign currencies with terms of less than 12 months	8%	8%
Deposits in foreign currencies with terms of 12 months and above	6%	6%
Deposits from overseas credit institutions in foreign currencies	1%	1%

The interest rates of current account at the year-end were as follows:

Type of deposits	31/12/2023	31/12/2022
Within compulsory reserve in VND	0.5%/p.a	0.5%/p.a
Within compulsory reserve in USD	0%/p.a	0%/p.a
Over compulsory reserve in VND	0%/p.a	0%/p.a
Over compulsory reserve in USD	0%/p.a	0%/p.a

(ii) Balances with Bank of the Lao People’s Democratic Republic (*the BOL*) consist of registered capital in Lao Kip (*LAK*), compulsory reserve balance and current deposits balance in accordance with the BOL’s requirement.

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

Type of deposits	31/12/2023	31/12/2022
Deposits in LAK	8%	5%
Deposits in other foreign currencies	10%	5%

6. BALANCES WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

	31/12/2023 VND million	31/12/2022 VND million
Balances with other credit institutions		
Demand deposits in VND	40,341,525	43,785,687
Demand deposits in foreign currencies	41,896,982	67,839,420
Term deposits in VND	201,520,690	134,985,297
Term deposits in foreign currencies	28,242,678	37,117,315
	312,001,875	283,727,719
Loans to other credit institutions		
Loans in VND	27,702,555	38,642,157
Loans in foreign currencies	2,473,152	2,107,568
	30,175,707	40,749,725
Provision for balances with and loans to other credit institutions	(5,708,975)	(10,840,000)
	336,468,607	313,637,444

Balances with and loans to other credit institutions by debt group were as follows:

	31/12/2023 VND million	31/12/2022 VND million
Current debts	231,054,493	181,762,038
Loss debts	6,200,000	11,000,000
	237,254,493	192,762,038

Movements in provision for balances with and loans to other credit institutions during the year were as follows:

	2023 VND million	2022 VND million
Opening balance	10,840,000	3,952,781
Provision (reversed)/made during the year (Note 32)	(5,131,025)	6,887,219
	5,708,975	10,840,000

7. TRADING SECURITIES

	31/12/2023 VND million	31/12/2022 VND million
Debt securities		
Government bonds	669,306	357,773
Bonds issued by other local credit institutions	1,393,698	693,769
Securities issued by local economic entities	186,218	345,925
Equity securities		
Equity securities issued by other credit institutions	13,454	12,531
Equity securities issued by local economic entities	248,719	133,577
	2,511,395	1,543,575
Provision for trading securities	(15,987)	(43,888)
	2,495,408	1,499,687

Trading securities by listing status were as follows:

	31/12/2023 VND million	31/12/2022 VND million
Debt securities	2,249,222	1,397,467
Listed	669,307	357,773
Unlisted	1,579,915	1,039,694
Equity securities	262,173	146,108
Listed	221,457	105,392
Unlisted	40,716	40,716
	2,511,395	1,543,575

Movements in provision for trading securities during the year were as follows:

	2023 VND million	2022 VND million
Opening balance	43,888	56,433
Provision (reversed)/made during the year (Note 27)	(27,901)	21,006
Other adjustments	-	(33,551)
Closing balance	15,987	43,888

8. LOANS TO CUSTOMERS

	31/12/2023 VND million	31/12/2022 VND million
Loans to local economic entities and individuals	1,258,418,586	1,136,450,786
Discounted bills and valuable papers	3,396,873	2,908,120
Finance lease receivables	6,055,394	4,991,115
Payments on behalf of customers	1,646,618	7,409
Loans to foreign organizations and individuals	841,547	708,820
	1,270,359,018	1,145,066,250

Analysis of loan portfolio by quality:

	31/12/2023 VND million	31/12/2022 VND million
Current debts	1,252,344,351	1,133,162,470
Special mention debts	5,559,700	4,083,359
Sub-standard debts	1,737,243	414,767
Doubtful debts	2,876,975	782,370
Loss debts	7,840,749	6,623,284
	1,270,359,018	1,145,066,250

Analysis of loan portfolio by term:

	31/12/2023 VND million	31/12/2022 VND million
Short-term debts	790,604,807	651,421,776
Medium-term debts	46,175,347	41,726,956
Long-term debts	433,578,864	451,917,518
	1,270,359,018	1,145,066,250
	1,270,359,018	1,145,066,250

Analysis of loan portfolio by type of borrowers:

	31/12/2023 VND million	31/12/2022 VND million
State-owned enterprises	80,144,585	63,930,380
Limited companies	207,339,020	203,088,337
Foreign invested enterprises	109,476,021	85,943,755
Co-operative and private companies	1,212,185	2,289,294
Individuals and individual business households	566,326,189	540,349,776
Others	305,861,018	249,464,708
	1,270,359,018	1,145,066,250

Analysis of loan portfolio by industry sector:

	31/12/2023 VND million	31/12/2022 VND million
Processing and manufacturing	280,386,148	243,683,447
Trading and services	204,168,323	184,463,459
Construction	81,091,024	75,113,942
Electricity, gas, water processing and supplying	54,975,004	58,615,950
Agriculture, forestry and aquaculture	38,732,650	36,100,729
Transportation, logistics and communication	33,448,171	31,585,533
Mining	20,413,414	19,084,011
Hotel and restaurant	19,622,160	18,278,882
Others	537,522,124	478,140,297
	1,270,359,018	1,145,066,250

9. PROVISION FOR LOANS TO CUSTOMERS

	31/12/2023 VND million	31/12/2022 VND million
General provision	9,370,030	8,468,771
Specific provision	19,313,655	16,310,647
	28,683,685	24,779,418

Movements in general provision for loans to customers during the year are as follows:

	2023 VND million	2022 VND million
Opening balance	8,468,771	7,054,861
Provision made during the year (Note 32)	904,282	1,416,142
Foreign exchange difference	(3,023)	(2,232)
Closing balance	9,370,030	8,468,771

Movements in specific provision for loans to customers during the year are as follows:

	2023 VND million	2022 VND million
Opening balance	16,310,647	18,685,423
Provision made during the year (Note 32)	8,761,292	1,167,748
Provision utilized for written-off debts	(5,758,202)	(3,530,346)
Foreign exchange difference	(82)	(12,178)
Closing balance	19,313,655	16,310,647

10. INVESTMENT SECURITIES

	31/12/2023 VND million	31/12/2022 VND million
Available-for-sale securities (a)	67,882,480	100,739,670
Held-to-maturity securities (b)	77,897,587	95,431,543
	145,780,067	196,171,213

Available-for-sale securities

	31/12/2023 VND million	31/12/2022 VND million
Available-for-sale securities		
Government bonds	38,785,480	34,180,448
Treasury bills, SBV bills	-	29,600,000
Debt securities issued by other local credit institutions	29,097,000	36,887,000
Debt securities issued by local economic entities	-	72,222
	67,882,480	100,739,670
Provision for available-for-sale securities (i)	-	-
Total available-for-sale securities	67,882,480	100,739,670

Details of provision for available-for-sale securities:

	31/12/2023 VND million	31/12/2022 VND million
General provision for unlisted corporate bonds	-	-
Provision for diminution in value of available-for-sale securities	-	-
	-	-

Movements in general provision for unlisted corporate bonds during the year were as follows:

	31/12/2023 VND million	31/12/2022 VND million
Opening balance	-	-
Provision reversed during the year (Note 32)	-	-
Closing balance	-	-

Movements in provision for diminution in value of available-for-sale securities during the year were as follows:

	31/12/2023 VND million	31/12/2022 VND million
Opening balance	-	86,673
Provision reversed during the year (Note 28)	-	(86,673)
Closing balance	-	-

Held-to-maturity securities

	31/12/2023 VND million	31/12/2022 VND million
Held-to-maturity securities		
Government bonds	43,724,246	37,915,262
Debt securities issued by other local credit institutions	24,098,000	46,589,000
Debt securities issued by local economic entities	10,187,501	11,009,114
	78,009,747	95,513,376
Provision for held-to-maturity securities (i)	(112,160)	(81,833)
Total held-to-maturity securities	77,897,587	95,431,543

Details of provision for held-to-maturity securities:

	31/12/2023 VND million	31/12/2022 VND million
General provision for unlisted corporate bonds	76,409	81,833
Specific provision for unlisted corporate bonds	35,751	-
	112,160	81,833

Movements in general provision for unlisted corporate bonds during the year were as follows:

	31/12/2023 VND million	31/12/2022 VND million
Opening balance	81,833	88,724
Provision reversed during the year (Note 32)	(5,424)	(6,891)
Closing balance	76,409	81,833

Movements in specific provision for unlisted corporate bonds during the year were as follows:

	31/12/2023 VND million	31/12/2022 VND million
Opening balance	-	-
Provision reversed during the year (Note 32)	35,751	-
Closing balance	35,751	-

Debt classification of unlisted investment securities as assets with credit risk:

	31/12/2023 VND million	31/12/2022 VND million
Current debts	49,203,750	94,557,336
Sub-standard debts	178,751	-
	49,382,501	94,557,336

11. CAPITAL CONTRIBUTIONS, LONG-TERM INVESTMENTS

Investments in joint-ventures

As at 31 December 2023:

	Ngành kinh doanh	Ownership percentage	Cost VND million	Carrying value VND million
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited (i)	Office leasing	52.00%	410,365	620,095
Vietcombank Fund Management (i)	Investment fund management	51.00%	135,150	206,057
			545,515	826,152

As at 31 December 2022:

	Ngành kinh doanh	Ownership percentage	Cost VND million	Carrying value VND million
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited (i)	Office leasing	52.00%	410,365	597,319
Vietcombank Fund Management (i)	Investment fund management	51.00%	135,150	173,756
			545,515	771,075

The Bank owns 52% of the total contributed capital of Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited and 51% of the total contributed capital of Vietcombank Fund Management. These companies’ charters require a consensus among related parties on all important decisions on the companies’ operational and financial matters. Hence, owning more than half of the companies’ contributed capital does not mean that the Bank has control over these companies. The investments in these two companies are classified into “Investments in joint-ventures” rather than “Investments in subsidiaries”.

Investments in associates

As at 31 December 2023:

	Business sector	Ownership percentage	Cost VND million	Carrying value VND million
Vietcombank – Bonday Joint-venture Company Limited	Office leasing	16.00%	11,110	12,073
			11,110	12,073

As at 31 December 2022:

	Business sector	Ownership percentage	Cost VND million	Carrying value VND million
Vietcombank – Bonday Joint-venture Company Limited	Office leasing	16.00%	11,110	11,314
			11,110	11,314

The Bank has significant influence through its participation in this company’s Members’ Council, but limited control over the financial and operating policies of this company. Therefore, the investment in the above company is classified into “Investments in associates” rather than “Other long-term investments”.

Other long-term investments

As at 31 December 2023:

	Business sector	Ownership percentage	Cost VND million
Vietnam Export – Import Commercial Joint Stock Bank	Banking	4.50%	319,908
Military Commercial Joint Stock Bank	Banking	4.35%	802,269
Petrolimex Insurance Corporation	Insurance	8.03%	67,900
Vietnam Credit Information Joint Stock Company	Credit information services	6.64%	7,962
Vietnam Infrastructure Development and Financial Investment JSC	Highway investment	1.97%	75,000
National Payment Corporation of Vietnam	Card and settlement services	1.83%	4,400
Vietnam Airlines JSC	Aviation	0.67%	248,770
SWIFT, MASTER and VISA	Card and settlement services	0.00%	2,936
			1,529,145
Provision for diminution in value of long-term investments (Note 11(d))			(142,425)
			1,386,720

As at 31 December 2022:

	Business sector	Ownership percentage	Cost VND million
Vietnam Export – Import Commercial Joint Stock Bank	Banking	4.50%	319,908
Military Commercial Joint Stock Bank	Banking	4.35%	802,269
Petrolimex Insurance Corporation	Insurance	8.03%	67,900
Vietnam Credit Information Joint Stock Company	Credit information services	6.64%	7,962
Vietnam Infrastructure Development and Financial Investment JSC.	Highway investment	1.97%	75,000
National Payment Corporation of Vietnam	Card and settlement services	1.83%	4,400
Vietnam Airlines JSC.	Aviation	0.67%	248,770
SWIFT, MASTER and VISA	Card and settlement services	0.00%	2,936
			1,529,145
Provision for diminution in value of long-term investments (Note 11(d))			(117,999)
			1,411,146

Provision for diminution in value of long-term investments

	31/12/2023 VND million	31/12/2022 VND million
Provision for diminution in value of other long-term investments	142,425	117,999
	142,425	117,999

As at 31 December 2023:

	2023 VND million	2022 VND million
Opening balance	117,999	75,000
Provision made during the year (Note 31)	24,426	42,999
Closing balance	142,425	117,999

12. TANGIBLE FIXED ASSETS

As at 31 December 2023:

	Buildings and structures VND million	Machineries and equipments VND million	Motor vehicles and means of transmission VND million	Others VND million	Total VND million
Cost					
Opening balance	6,045,688	4,743,092	1,245,863	1,915,531	13,950,174
Additions during the year	36,970	351,052	374,683	169,469	932,174
<i>Purchases</i>	<i>36,970</i>	<i>351,052</i>	<i>374,683</i>	<i>132,338</i>	<i>895,043</i>
<i>Other increases</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>37,131</i>	<i>37,131</i>
Decreases during the year	(47,139)	(70,440)	(29,204)	(20,977)	(167,760)
<i>Disposals</i>	<i>(16,438)</i>	<i>(65,786)</i>	<i>(16,426)</i>	<i>(20,780)</i>	<i>(119,430)</i>
<i>Other decreases</i>	<i>(30,701)</i>	<i>(4,654)</i>	<i>(12,778)</i>	<i>(197)</i>	<i>(48,330)</i>
Closing balance	6,035,519	5,023,704	1,591,342	2,064,023	14,714,588
Accumulated depreciation					
Opening balance	1,998,816	4,290,919	898,062	1,592,294	8,780,091
Additions during the year	250,740	362,966	100,976	216,117	930,799
<i>Charges for the year</i>	<i>249,577</i>	<i>362,966</i>	<i>100,976</i>	<i>214,929</i>	<i>928,448</i>
<i>Other increases</i>	<i>1,163</i>	<i>-</i>	<i>-</i>	<i>1,188</i>	<i>2,351</i>
Decreases during the year	(5,895)	(67,842)	(16,909)	(21,268)	(111,914)
<i>Disposals</i>	<i>(5,836)</i>	<i>(65,786)</i>	<i>(16,426)</i>	<i>(20,623)</i>	<i>(108,671)</i>
<i>Other decreases</i>	<i>(59)</i>	<i>(2,056)</i>	<i>(483)</i>	<i>(645)</i>	<i>(3,243)</i>
Closing balance	2,243,661	4,586,043	982,129	1,787,143	9,598,976
Net book value					
Opening balance	4,046,872	452,173	347,801	323,237	5,170,083
Closing balance	3,791,858	437,661	609,213	276,880	5,115,612

Included in tangible fixed assets were assets costing VND6,330,916 million which were fully depreciated as of 31 December 2023, but still in use (as of 31 December 2022: VND5,393,998 million).

13. INTANGIBLE FIXED ASSETS

As at 31 December 2023:

	Land use rights (VND million)	Copyrights and patents (VND million)	Others (VND million)	Total (VND million)
Cost				
Opening balance	2,504,743	2,232,088	52,258	4,789,089
Additions during the year	91	93,703	25,930	119,724
<i>Purchases</i>	-	93,703	19,414	113,117
<i>Other increases</i>	91	-	6,516	6,607
Decreases during the year	-	(1,881)	a	(1,932)
<i>Other decreases</i>	-	(1,881)	(51)	(1,932)
Closing balance	2,504,834	2,323,910	78,137	4,906,881
Accumulated amortisation				
Opening balance	133,383	1,807,564	32,825	1,973,772
Charges for the year	14,788	320,621	5,500	340,909
<i>Charges for the year</i>	14,788	320,621	5,500	340,909
Decreases during the year	-	(319)	(50)	(369)
<i>Other decreases</i>	-	(319)	(50)	(369)
Closing balance	148,171	2,127,866	38,275	2,314,312
Net book value				
Opening balance	2,371,360	424,524	19,433	2,815,317
Closing balance	2,356,663	196,044	39,862	2,592,569

Included in intangible fixed assets were assets costing VND1,746,545 million which were fully amortized as of 31 December 2023, but still in use (as of 31 December 2022: VND1,041,279 million).

14. OTHER ASSETS

Receivables

	31/12/2023 VND million	31/12/2022 VND million
Internal receivables	745,917	2,590,521
External receivables (i)	11,044,256	21,892,885
	11,790,173	24,483,406

External receivables

	31/12/2023 VND million	31/12/2022 VND million
Advances for purchases of fixed assets	867,412	874,302
Receivables from the State Budget in relation to the interest subsidy program	380,837	271,746
Overpaid corporate income tax (Note 37)	522,559	45,670
Deductible value added tax (Note 37)	11,266	10,789
Advances for other taxes (Note 37)	2	2
Construction in progress (*)	412,334	241,910
Receivables from L/C paid in advance	7,280,694	17,041,450
Other receivables	1,569,152	3,407,016
	11,044,256	21,892,885

Details of construction in progress are follows:

	31/12/2023 VND million	31/12/2022 VND million
Construction in progress	412,334	241,910
<i>In which, major constructions:</i>	<i>301,827</i>	<i>126,379</i>
Vung Tau Branch's office project	85,049	18,178
Thai Binh Branch's office project	70,698	17,983
Tan Dinh Branch's office project	38,884	5,070
Binh Duong Branch's office project	25,384	2,567
Hoan Kiem Branch's office project	21,432	18,117
Dong Binh Duong Branch's office project	19,778	1,707
Phu Tho Branch's office project	14,193	24,016
Dong Thap Branch's office project	10,702	19,136
Bac Lieu Branch's office project	8,380	10,824
Lao Cai Branch's office project	3,126	5,028
Bac Ninh Archive and Digitization Central project	2,371	2,311
Ho Chi Minh Branch's office project	1,830	1,442

Accrued interest and fee receivables

	31/12/2023 VND million	31/12/2022 VND million
From loans to customers	3,929,944	4,061,964
From balances with and loans to other credit institutions	996,933	871,211
From investment securities	3,635,936	3,833,550
From derivative transactions	629,798	440,092
Fee receivables	7,411	2,304
	9,200,022	9,209,121

Deferred tax assets

	31/12/2023 VND million	31/12/2022 VND million
Deferred tax assets arising from deductible temporary differences	848,268	958,065

Other assets

	31/12/2023 VND million	31/12/2022 VND million
Prepaid expenses for office and fixed assets rental	923,766	910,960
Materials	191,365	154,678
Advances for card payments	2,430,000	4,340,977
Prepaid land rental costs	825,180	700,787
Other assets	4,457,994	20,232,427
	8,828,305	26,339,829
Provision for other on-balance sheet assets	(15,463)	(12,220)
	8,812,842	26,327,609

15. DUE TO THE GOVERNMENT AND THE STATE BANKS

	31/12/2023 VND million	31/12/2022 VND million
Borrowings from the SBV	900,956	1,253,828
Borrowings on the credit files basis	790,840	1,055,777
Other borrowings	110,116	198,051
Deposits from the State Treasury	769,881	49,548,100
Demand deposits in VND	121,426	371,652
Demand deposits in foreign currencies	648,455	455,448
Term deposits in VND	-	48,721,000
Deposits from the SBV	-	16,512,888
	1,670,837	67,314,816

16. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

	31/12/2023 VND million	31/12/2022 VND million
Deposits from other credit institutions	193,963,218	222,040,585
Demand deposits in VND	48,995,287	72,377,392
Demand deposits in foreign currencies	50,230,493	68,876,433
Term deposits in VND	93,810,000	69,600,000
Term deposits in foreign currencies	927,438	11,186,760
Borrowings from other CIs	19,875,762	10,470,265
Borrowings in VND	5,235,000	2,004,350
Borrowings in foreign currencies	14,640,762	8,465,915
	213,838,980	232,510,850

17. DEPOSITS FROM CUSTOMERS

	31/12/2023 VND million	31/12/2022 VND million
Demand deposits	461,311,977	402,103,803
Demand deposits in VND	368,892,919	308,500,428
Demand deposits in gold, foreign currencies	92,419,058	93,603,375
Term deposits	904,764,077	821,676,266
Term deposits in VND	826,007,368	744,187,471
Term deposits in gold, foreign currencies	78,756,709	77,488,795
Deposits for specific purposes	17,801,433	9,839,982
Margin deposits	11,820,124	9,848,420
	1,395,697,611	1,243,468,471

Analysis of customer deposit by type of customer:

	31/12/2023 VND million	31/12/2022 VND million
Economic entities	701,076,891	637,317,087
Individuals	694,620,720	606,151,384
	1,395,697,611	1,243,468,471

18. DERIVATIVES AND OTHER FINANCIAL (LIABILITIES)/ASSETS

	31/12/2023		31/12/2022	
	Contractual value	Carrying value	Contractual value	Carrying value
	VND million	Công nợ VND million	VND million	Tài sản/(công nợ) VND million
Currency derivative				
Currency swap contracts	104,261,691	(22,607)	81,264,769	169,699
Currency forward contracts	(15,004,848)	(95,145)	22,250,388	(13,184)
	89,256,843	(117,752)	103,515,157	156,515

19. FUNDS FOR FINANCE, ENTRUSTED INVESTMENTS AND ENTRUSTED FUNDS

	31/12/2023 VND million	31/12/2022 VND million
Funds for finance, entrusted investments and entrusted loans in VND	365	3,298

20. VALUABLE PAPERS ISSUED

	31/12/2023 VND million	31/12/2022 VND million
Certificates of deposit	8,000,115	11,000,115
Short-term in VND	8,000,000	11,000,000
Medium-term in VND	115	115
Bills and bonds	11,912,508	14,337,779
Short-term in VND	47	47
Short-term in foreign currencies	31	31
Medium-term in VND	-	3,393,568
Medium-term and long-term in foreign currencies	14	14
Long-term in VND	11,912,416	10,944,119
	19,912,623	25,337,894

21. OTHER LIABILITIES

Accrued interest and fee payables

	31/12/2023 VND million	31/12/2022 VND million
Interest expense for deposits from customers	18,776,726	11,797,019
Interest expense for deposits and borrowings from other CIs	76,474	131,091
Interest expense for valuable papers issued	251,361	242,622
Interest expense for derivative financial instruments	422,467	311,143
Other interest expenses	-	3,457
	19,527,028	12,485,332

Other liabilities

	31/12/2023 VND million	31/12/2022 VND million
Internal payables (i)	4,519,311	24,377,682
External payables (ii)	14,422,343	68,546,533
Bonus and welfare funds	4,893,682	4,124,209
	23,835,336	97,048,424

Internal payables

	31/12/2023 VND million	31/12/2022 VND million
Payables to employees	3,820,343	3,107,748
Other liabilities	698,968	21,269,934
	4,519,311	24,377,682

External payables

	31/12/2023 VND million	31/12/2022 VND million
Tax payables (Note 37)	4,904,454	5,359,694
- Corporate income tax payable	4,677,543	5,086,976
- Value added tax payable	57,320	57,863
- Other taxes payable	169,591	214,855
Unearned income	1,679,636	3,457,340
Payables for construction and acquisition of fixed assets	825,019	1,014,573
Deposits in custody relating to awaiting settlements	454,494	527,533
Other payables to customers	3,130,640	1,139,739
Other items awaiting settlements	236,224	355,725
Payables to the State Budget in relation of interest subsidy program	64,528	64,533
Borrowings from the Ministry of Finance	613,574	707,141
Other payables	2,513,774	55,920,255
	14,422,343	68,546,533

22. OWNERS’ EQUITY

As at 31 December 2023:

	Charter capital (VND million)	Share premium (VND million)	Other capital (VND million)	Supple-mentary charter capital reserve (VND million)	Reserves						
					Financial reserve (VND million)	Investment and development fund (VND million)	Total (VND million)	Foreign exchange difference (VND million)	Retained earnings (VND million)	Non- controlling interest (VND million)	Total (VND million)
Balance as at 1/1/2023	47,325,166	4,995,389	809,837	7,509,504	15,007,555	39,899	22,556,958	(863,071)	60,733,423	88,383	135,646,085
Net profit for the year	-	-	-	-	-	-	-	-	33,033,203	21,245	33,054,448
Issuance of bonus shares for increasing equity during the year	8,565,747	-	-	-	-	-	-	-	(8,565,747)	-	-
Statutory reserves temporarily appropriated for 2023 of the Bank	-	-	-	1,621,904	3,243,808	-	4,865,712	-	(4,865,712)	-	-
Bonus and welfare funds temporarily appropriated for 2023 of the Bank	-	-	-	-	-	-	-	-	(2,563,140)	-	(2,563,140)
Adjustments for the appropriation of statutory reserves and bonus and welfare funds according to the Resolution of General Meeting of Shareholders	-	-	-	154	308	-	462	-	(955,224)	-	(954,762)
Dividends according to the Resolution of the subsidiary	-	-	-	-	-	-	-	-	-	(15,627)	(15,627)
Appropriation of subsidiaries	-	-	-	6,166	12,331	-	18,497	-	(31,254)	-	(12,757)
Utilization of reserves during the year	-	-	-	-	(891)	-	(891)	-	-	-	(891)
Adjustments according to the Resolution of the subsidiary	-	-	-	-	3,877	2,501	6,378	-	(46,338)	(680)	(40,640)
Adjustments for joint-ventures and associates accounted under equity method	-	-	-	-	-	-	-	-	4,021	-	4,021
Foreign exchange difference	-	-	-	-	-	-	-	(120,166)	-	669	(119,497)
Other movements	-	-	-	-	-	-	-	-	15,426	-	15,426
Balance as at 31/12/2023	55,890,913	4,995,389	809,837	9,137,728	18,266,988	42,400	27,447,116	(983,237)	76,758,658	93,990	165,012,666

Details of shareholders of the Bank

	31/12/2023		31/12/2022	
	VND million	%	VND million	%
Ordinary shares				
The Government of Vietnam	41,808,285	74.80%	35,400,749	74,80%
Foreign strategic shareholder (Mizuho Bank Ltd., Japan)	8,383,723	15.00%	7,098,834	15,00%
Other shareholders	5,698,905	10.20%	4,825,583	10,20%
	55,890,913	100%	47,325,166	100%

The Bank’s authorized and issued share capital is as follows:

	31/12/2023		31/12/2022	
	Number of shares	VND million	Number of shares	VND million
Authorized share capital	5,589,091,262	55,890,913	4,732,516,571	47,325,166
Issued share capital				
Ordinary shares	5,589,091,262	55,890,913	4,732,516,571	47,325,166
Outstanding shares in circulation				
Ordinary shares	5,589,091,262	55,890,913	4,732,516,571	47,325,166

All ordinary shares of the Bank have a par value of VND10,000.

23. INTEREST AND SIMILAR INCOME

	2023 VND million	2022 VND million
Interest income from loans to customers	92,462,699	75,333,189
Interest income from deposits	6,867,361	3,774,188
Interest income from trading and investing in debt securities:	7,298,787	7,469,553
– from investment securities	7,200,344	7,366,362
– from trading securities	98,443	103,191
Interest income from finance leases	485,810	355,970
Fees from guaranteed activities	369,129	572,041
Other income from credit activities	638,492	607,759
	108,122,278	88,112,700

24. INTEREST AND SIMILAR EXPENSES

	2023 VND million	2022 VND million
Interest expense for deposits	52,314,736	33,290,697
Interest expense for borrowings	652,068	494,179
Interest expense for valuable papers issued	1,467,151	1,025,298
Other expenses for credit activities	67,454	56,048
	54,501,409	34,866,222

25. NET FEE AND COMMISSION INCOME

	2023 VND million	2022 VND million
Fee and commission income from		
Settlement services	6,601,659	6,001,029
Treasury services	51,924	75,478
Entrustment and agency activities	720	57,110
Other services	5,978,436	6,291,390
	12,632,739	12,425,007
Fee and commission expenses for		
Settlement services	(5,541,242)	(4,424,834)
Treasury services	(105,031)	(127,938)
Telecommunication services	(152,557)	(146,125)
Entrustment and agency activities	(9,872)	(21,587)
Other services	(1,044,314)	(865,423)
	(6,853,016)	(5,585,907)
	5,779,723	6,839,100

26. NET GAIN FROM TRADING OF FOREIGN CURRENCIES

	2023 VND million	2022 VND million
Gains from trading of foreign currencies		
From spot currency to contracts	7,715,021	9,559,507
From currency derivative financial instruments	836,364	918,924
From foreign exchange differences	28,049	8,842
From revaluation of derivative contracts	1,811,616	168,965
	10,391,050	10,656,238
Losses on trading of foreign currencies		
From spot currency to contracts	(170,887)	(2,445,062)
From currency derivative financial instruments	(3,261,691)	(1,932,701)
From foreign exchange differences	(1,286,470)	(372,565)
From revaluation of derivative contracts	(11,974)	(137,465)
	(4,731,022)	(4,887,793)
	5,660,028	5,768,445

27. NET GAIN/(LOSS) FROM TRADING SECURITIES

	2023 VND million	2022 VND million
Income from trading securities	123,531	139,260
Expenses for trading securities	(27,215)	(233,448)
Provision reversed/(made) for trading securities (Note 7)	27,901	(21,006)
	124,217	(115,194)

28. NET GAIN FROM INVESTMENT SECURITIES

	2023 VND million	2022 VND million
Income from investment securities	-	35,281
Expenses for investment securities	-	(40,359)
Provision reversed for available-for-sale investment securities (Note 10(a))	-	86,673
	-	81,595

29. NET GAIN FROM OTHER OPERATING ACTIVITIES

	2023 VND million	2022 VND million
Other income		
Income from recoveries of loans previously written off	2,090,116	2,394,744
Income from interest rate swap transactions	1,649,614	217,602
Income from reversal of provision	115	-
Other income	310,299	315,993
	4,050,144	2,928,339
Other expenses		
Expenses on interest rate swap transactions	(830,832)	(221,584)
Expenses on debts trading activities	(92)	(52)
Expenses on social activities	(332,327)	(316,342)
Other expenses	(614,724)	(336,400)
	(1,777,975)	(874,378)
	2,272,169	2,053,961

30. INCOME FROM CAPITAL CONTRIBUTIONS AND SHARE PURCHASES

	2023 VND million	2022 VND million
Dividend income from capital contributions and share purchases (Note 33(a))	135,403	117,241
– <i>Dividend income from capital contributions and share purchases received</i>	126,711	104,347
– <i>Dividend income from trading equity securities</i>	8,692	12,894
Income from disposal of capital contributions and share purchases	–	69,582
Share of profits based on equity methods of investments in joint-ventures and associates (Note 33(a))		
(Thuyết minh 33(a))	131,053	21,613
	266,456	208,436

31. OPERATING EXPENSES

	2023 VND million	2022 VND million
Tax, duties and fees	451,195	356,671
Salaries and related expenses	11,718,438	10,704,534
Of which:		
– <i>Salary and allowances (Note 36)</i>	10,553,274	9,564,154
– <i>Contributions based on salary</i>	830,173	754,534
– <i>Other allowances</i>	5,286	6,381
Expenses of assets	3,455,613	4,017,315
Of which:		
– <i>Depreciation of fixed assets</i>	1,269,357	1,345,198
Administrative expenses	5,284,175	5,226,349
Insurance expense for deposits from customers	880,742	802,452
Provision for diminution in value of long-term investment (Note 11(d))	24,426	42,999
Other expenses	100,310	100,192
	21,914,899	21,250,512

32. PROVISION FOR CREDIT LOSSES

	2023 VND million	2022 VND million
Provision for balances with and loans to other credit institutions		
Provision (reversed)/made (Note 6)	(5,131,025)	6,887,219
General provision for loans to customers		
Provision made (Note 9)	904,282	1,416,142
Specific provision for loans to customers		
Provision made (Note 9)	8,761,292	1,167,748
General provision for unlisted corporate bonds		
Provision reversed for available-for-sale securities (Note 10(a))	–	–
Provision reversed for held-to-maturity securities (Note 10(b))	(5,424)	(6,891)
Specific provision for unlisted corporate bonds		
Provision made (Note 10(b))	35,751	–
	4,564,876	9,464,218

33. CORPORATE INCOME TAX

Reconciliation of effective tax rate

	2023 VND million	2022 VND million
Profit before tax	41,243,687	37,368,091
<i>Adjustments:</i>		
Taxable income of subsidiaries	(842,121)	(724,243)
Dividends received during the year (Note 30)	(135,403)	(117,241)
Share of profits from investments in joint-ventures and associates under the equity method (Note 30)	(131,053)	(21,613)
Tax exempted income from consolidation adjustments	(10,935)	12,876
Non-deductible expenses	39,113	4,832,253
Adjustments for reductions	(72,828)	(24,618)
Reversal of non-deductible expenses of the prior year	(518,675)	–
Taxable income	39,571,785	41,325,505
Corporate income tax rate	20%	20%
Corporate income tax of the Bank (tax rate: 20%)	7,914,357	8,265,101
Corporate income tax of subsidiaries	165,044	141,759
Current corporate income tax expense for the year	8,079,401	8,406,860

Deferred corporate income tax (expense)/income

	2023 VND million	2022 VND million
Deferred corporate income tax (expense)/income arising from temporary differences	(109,838)	957,823

Applicable tax rates

The Bank and its subsidiaries have an obligation to pay the Government income tax at the rate of 20% of taxable profits, except for Vietnam Finance Company Limited in Hong Kong whose applicable tax rate is 16.5% and Vietcombank Money Inc. which pays tax at the rate in the United States of America, California and 23 other states where it operates. Corporate income tax computation is subject to review and approval by tax authorities.

34. BASIC EARNINGS PER SHARE

Profit used for calculating basic earnings per share

	2023 VND million	2022 Number of shares (restated)	2022 VND million (previously presented)
Net profit for the year	33,033,203	29,899,014	29,899,014
Appropriation to bonus and welfare funds (*)	(2,575,897)	(3,344,476)	(2,349,100)
Profit attributable to the ordinary shareholders for the year	30,457,306	26,554,538	27,549,914

Bonus and welfare fund is appropriated at the year-end. Therefore, net profit after tax used for calculating earnings per share for the years ended 31 December was not deducted the amount appropriated to bonus and welfare fund for the respective year.

Weighted average number of ordinary shares

	2023 VND million	2022 Number of shares (restated)	2022 VND million (previously presented)
Issued ordinary shares at 1 January	4,732,516,571	3,708,877,448	3,708,877,448
Effect of share dividends (i)	856,574,691	1,880,213,814	1,023,639,123
Weighted average number of outstanding ordinary shares for the year	5,589,091,262	5,589,091,262	4,732,516,571

The restatement takes into consideration the effect of shares issuance to pay dividends in accordance with Resolution No. 318/ NQ-VCB-HDQT dated 6 July 2023 of the Board of Directors approving for paying the share dividend of 2019, 2020 at the rate of 18.1%. The Bank completed the share issuance to pay dividends on 8 August 2023.

Basic earnings per share

	2023 VND million	2022 (restated)	2022 VND million (previously presented)
Basic earnings per share (VND/share)	5,449	4,751	5,821

35. TIỀN VÀ CÁC KHOẢN TƯƠNG ĐƯƠNG TIỀN

	31/12/2023 VND million	31/12/2022 VND million
Cash on hand, gold, silver and gemstones	14,504,849	18,348,534
Balances with the State Banks	58,104,503	92,557,809
Balances with and loans to other credit institutions with original term not exceeding 3 months	300,209,378	271,728,951
Securities with a term of redemption or maturity not exceeding 3 months from the date of purchase	-	29,600,000
	372,818,730	412,235,294

36. EMPLOYEES’ BENEFITS

	2023	2022
Total number of employees as at 31 December (person)	23,493	22,599
Employees’ income		
Total salary and allowance (VND million) (Note 31)	10,553,274	9,564,154
Monthly average income/person (VND million)	37,43	35,27

37. OBLIGATIONS TO THE STATE BUDGET

	Movement during the year			Balance at 31/12/2023		
	Balance at 1/1/2023 VND million	Incurred VND million	Paid VND million	Payables VND million	Advances VND million	Total VND million
Value added tax	47,074	602,357	(603,377)	57,320	(11,266)	46,054
Corporate income tax	5,041,306	8,083,645	(8,969,967)	4,677,543	(522,559)	4,154,984
<i>In which:</i>						
– Corporate income tax of Vietcombank	5,041,365	8,079,401	(8,965,721)	4,677,543	(522,498)	4,155,045
– Adjustments on tax of previous years	–	4,246	(4,246)	–	–	–
– Vinafico's tax obligation in 2008	(59)	(2)	–	–	(61)	(61)
Other taxes	214,853	2,029,660	(2,074,924)	169,591	(2)	169,589
	5,303,233	10,715,662	(11,648,268)	4,904,454	(533,827)	4,370,627

38. ASSETS AND VALUABLE PAPERS FOR PLEDGING, MORTGAGING, AND DISCOUNT, RE-DISCOUNT

	31/12/2023 VND million	31/12/2022 VND million
Deposits	231,641,742	167,169,560
Valuable papers	53,131,108	46,448,485
Real estate	1,624,470,066	1,560,299,529
Other collaterals	348,655,700	336,270,072
	2,257,898,616	2,110,187,646

39. CONTINGENT LIABILITIES AND OTHER COMMITMENTS

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

Credit risk for off-balance sheet financial instruments is defined as the possibility of incurring a loss because any other counterparty to a financial instrument fails to discharge its contractual obligations.

Financial guarantees are conditional commitments issued by Vietcombank to guarantee transactions of its customers with third parties including loan guarantee, payment guarantee, performance guarantee and bid guarantee. Such guarantees expose Vietcombank to similar credit risk to loans to customers.

Commercial at sight letters of credit represent a financing transaction by Vietcombank 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 imported merchandise serves as collaterals for the transaction.

Deferred payment letters of credit contain the risk of customers not making payment to their beneficiaries upon contract performance. When deferred payment letters of credit are defaulted by customers, Vietcombank recognises a compulsory loan to a customer and at the same time a corresponding liability representing the financial obligation of Vietcombank to pay the beneficiaries and to fulfil the guarantor obligations.

Vietcombank normally requires margin deposits to support credit-related financial instruments as necessary. The margin deposits ratio required varies from 0% to 100% of the value of a commitment granted depending on the creditworthiness of customers as assessed by Vietcombank.

40. SIGNIFICANT TRANSACTIONS AND BALANCES WITH RELATED PARTIES

Significant transactions with related parties

	Relationship	2023 VND million	2022 VND million
		Income/(expense)	
The State Bank of Vietnam	Representative of owner		
Interest income from deposits		124,874	122,037
Interest expense for deposits and borrowings		(117,202)	(76,435)
The Ministry of Finance	Related party of owner		
Interest expense for deposits		(671,127)	(1,477,093)
Interest expense for borrowings		(31,633)	(14,360)

Significant balances with related parties

	Relationship	2023 VND million	2022 VND million
		Receivable/(payable)	
The State Bank of Vietnam	Representative of owner		
Deposits at the SBV		57,937,612	92,451,066
Deposits and borrowings from the SBV		(900,956)	(17,766,716)
The Ministry of Finance	Related party of owner		
Deposits at the Bank		(769,881)	(49,548,100)
Borrowings from the Ministry of Finance		(613,574)	(707,141)

41. DISCLOSURE OF REMUNERATION FOR MEMBERS OF THE BOARD OF DIRECTORS AND SALARY FOR CHIEF EXECUTIVE OFFICER AND OTHER MANAGEMENT MEMBERS

Remuneration for members of the Board of Directors and salary for Chief Executive Officer and other management members incurred and paid from the salary fund during the year were as follows:

Title		Năm 2023 VND million	Năm 2022 VND million
Members of the Board of Directors			
Remuneration, bonus		16,784	18,884
Mr. Pham Quang Dung	Chairman (resigned on 1 January 2024)	1,630	1,671
Mr. Do Viet Hung	Member in charge of the Board of Directors (appointed on 1 January 2024)	1,630	1,671
Mr. Nguyen Thanh Tung	Member CEO (appointed on 30 January 2023)	1,630	2,212
Mr. Nguyen Manh Hung	Member	2,498	2,437
Mr. Nguyen My Hao	Member	2,309	2,209
Mr. Hong Quang	Member	2,417	2,209
Mr. Shorijo Mizoguchi	Member	2,300	2,202
Ms. Nguyen Thi Kim Oanh	Member (appointed on 24 November 2023)	2,370	2,238
Mr. Pham Anh Tuan	Member (resigned on 1 December 2022)	-	2,035
Members of the Supervisory Board			
Remuneration, bonus		4,791	5,451
Members of the Board of Management, Chief Accountant			
Salary, bonus		39,545	14,691
Mr. Pham Manh Thang	Deputy CEO (retired on 1 May 2023)	995	2,307
Ms. Dinh Thi Thai	Deputy CEO	2,461	2,390
Ms. Phung Nguyen Hai Yen	Deputy CEO	2,373	2,161
Mr. Le Quang Vinh	Deputy CEO	2,432	2,195
Mr. Dang Hoai Duc	Deputy CEO	2,387	2,214
Mr. Nguyen Viet Cuong	Deputy CEO	2,155	1,352
Mr. Le Hoang Tung	Deputy CEO (appointed on 15 August 2023)	2,262	2,072
Mr. Ho Van Tuan	Deputy CEO (appointed on 15 August 2023)	658	(*)
Mr. Colin Richard Dinn	Giám đốc Khối (bổ nhiệm ngày 24 tháng 11 năm 2023)	15,258	(*)
Mr. Tran Thanh Nam	Head of Division (appointed on 26 November 2023)	5,006	(*)
Ms. Nguyen Thi Hong Van	Head of Division (appointed on 15 November 2023)	158	(*)

Title		Năm 2023 VND million	Năm 2022 VND million
Ms. Doan Hong Nhung	Head of Division (appointed on 7 December 2023)	1,905	(*)
Ms. La Thi Hong Minh	Chief Accountant (appointed on 7 December 2023)	1,495	(**)
		61,120	39,026

(*) According to Point I, Clause 1, Article 1 of the Charter of Organization and Operation of Joint Stock Commercial Bank for Foreign Trade of Vietnam approved by the General Meeting of Shareholders in Resolution No. 16/TN2023/NQ-DHDCD dated 21 April 2023 stipulates: "The Bank's management members include the Chairman of the Board of Directors, members of the Board of Directors, CEO, Deputy CEO, Chief Accountant, and Head of Division."

(**) In 2022, Ms. La Thi Hong Minh's salary and bonus were belonging to the Remuneration, bonus for members of the Supervisory Board.

42. SEGMENT REPORTING

Geographical segment

Year ended 31 December 2023:

		The North (*) VND million	The Central and Central Highlands VND million	The South VND million	Overseas VND million	Elimination VND million	Total VND million
1	Interest and similar income	148,732,308	25,825,781	77,110,648	134,801	(143,681,260)	108,122,278
2	Interest and similar expenses	(128,733,911)	(17,631,695)	(51,764,674)	(59,195)	143,688,066	(54,501,409)
I	Net interest and similar income	19,998,397	8,194,086	25,345,974	75,606	6,806	53,620,869
3	Fee and commission income	8,586,749	762,007	3,341,994	115,731	(173,742)	12,632,739
4	Fee and commission expenses	(6,690,171)	(40,698)	(117,428)	(29,875)	25,156	(6,853,016)
II	Net fee and commission income	1,896,578	721,309	3,224,566	85,856	(148,586)	5,779,723
III	Net gain from trading of foreign currencies	3,535,191	255,809	1,848,812	399	19,817	5,660,028
IV	Net gain from trading securities	131,022	-	-	-	(6,805)	124,217
V	Net loss from investment securities	-	-	-	-	-	-
5	Other operating income	2,730,636	481,363	837,562	583	-	4,050,144
6	Other operating expenses	(1,284,500)	(115,302)	(377,854)	(319)	-	(1,777,975)
VI	Net gain from other operating activities	1,446,136	366,061	459,708	264	-	2,272,169
VII	Income from capital contributions and share purchases	266,456	-	-	-	-	266,456
	Total operating income	27,273,780	9,537,265	30,879,060	162,125	(128,768)	67,723,462
VIII	Total operating expenses	(12,704,033)	(2,462,350)	(6,784,513)	(112,473)	148,470	(21,914,899)
IX	Net operating profit before provision for credit losses	14,569,747	7,074,915	24,094,547	49,652	19,702	45,808,563
X	Provision (made)/reversed for credit losses	3,748,209	(4,214,605)	(4,100,699)	2,219	-	(4,564,876)
XI	Total profit before tax	18,317,956	2,860,310	19,993,848	51,871	19,702	41,243,687
7	Current corporate income tax expense	(3,501,783)	(572,062)	(3,998,548)	(7,008)	-	(8,079,401)
8	Deferred income tax expense	(109,838)	-	-	-	-	(109,838)
XII	Corporate income tax expense	(3,611,621)	(572,062)	(3,998,548)	(7,008)	-	(8,189,239)
XIII	Net profit after tax	14,706,335	2,288,248	15,995,300	44,863	19,702	33,054,448

(*) As at 31 December 2023, the Bank’s Head Office, located in the North, incurred some operating expenses for the whole system but did not allocate such expenses to other units within the Bank.

Business segment

Year ended 31 December 2023:

		Banking financial services VND million	Non-banking financial services VND million	Securities VND million	Others VND million	Elimination VND million	Total VND million
1	Interest and similar income	250,211,934	667,383	857,312	66,909	(143,681,260)	108,122,278
2	Interest and similar expenses	(197,567,231)	(294,058)	(309,152)	(19,033)	143,688,065	(54,501,409)
I	Net interest and similar income	52,644,703	373,325	548,160	47,876	6,805	53,620,869
3	Fee and commission income	12,134,282	9,194	377,753	285,253	(173,743)	12,632,739
4	Fee and commission expenses	(6,698,882)	(1,530)	(99,832)	(77,927)	25,155	(6,853,016)
II	Net fee and commission income	5,435,400	7,664	277,921	207,326	(148,588)	5,779,723
III	Net gain from trading of foreign currencies	5,632,505	7,706	-	-	19,817	5,660,028
IV	Net gain from trading securities	52,553	-	78,469	-	(6,805)	124,217
IV	Net loss from investment securities	-	-	-	-	-	-
5	Other operating income	4,003,229	8,772	37,563	580	-	4,050,144
6	Other operating expenses	(1,741,248)	-	(36,689)	(38)	-	(1,777,975)
VI	Net gain from other operating activities	2,261,981	8,772	874	542	-	2,272,169
VII	Income from capital contributions and share purchases	257,764	-	8,692	-	-	266,456
	Total operating income	66,284,906	397,467	914,116	255,744	(128,771)	67,723,462
VIII	Total operating expenses	(21,443,121)	(145,352)	(340,069)	(134,827)	148,470	(21,914,899)
IX	Net operating profit before provision for credit losses	44,841,785	252,115	574,047	120,917	19,699	45,808,563
X	Provision for credit losses	(4,473,757)	(91,119)	-	-	-	(4,564,876)
XI	Total profit before tax	40,368,028	160,996	574,047	120,917	19,699	41,243,687
7	Current corporate income tax expense	(7,920,103)	(31,469)	(106,960)	(20,869)	-	(8,079,401)
8	Deferred income tax expense	(103,735)	-	(6,103)	-	-	(109,838)
XII	Corporate income tax expense	(8,023,838)	(31,469)	(113,063)	(20,869)	-	(8,189,239)
XIII	Net profit after tax	32,344,190	129,527	460,984	100,048	19,699	33,054,448

43. DISCLOSURES OF FINANCIAL INSTRUMENTS

Collateral disclosure Vietcombank does not hold collaterals which are allowed to be sold or re-pledged in the absence of default by the owner of the collaterals.

				Giá trị ghi sổ – gộp			
		Kinh doanh VND million	Giữ đến ngày đáo hạn VND million	Cho vay và phải thu VND million	Sẵn sàng để bán VND million	Hạch toán theo giá trị phân bổ VND million	Tổng giá trị ghi sổ VND million
Financial assets							Giá trị hợp lý VND million
I	Cash, gold, silver and gemstones	-	-	14,504,849	-	-	14,504,849
II	Balances with the State Banks	-	-	58,104,503	-	-	58,104,503
III	Balances with and loans to other credit institutions	-	-	342,177,582	-	-	(*)
IV	Trading securities – gross	2,511,395	-	-	-	-	(*)
V	Loans to customers – gross	-	-	1,270,359,018	-	-	(*)
VI	Investment securities – gross	-	78,009,747	-	67,882,480	-	(*)
VII	Capital contributions, long-term investments – gross	-	-	-	1,529,145	-	(*)
VIII	Other financial assets – gross	-	-	24,539,444	-	-	(*)
		2,511,395	78,009,747	1,709,685,396	69,411,625	-	1,859,618,163
Financial liabilities							
I	Due to the Government and the State Banks and deposits and borrowings from other credit institutions	-	-	-	-	215,509,817	(*)
II	Deposits from customers	-	-	-	-	1,395,697,611	(*)
III	Derivatives and other financial liabilities	117,752	-	-	-	-	117,752
IV	Funds for finance, entrusted investments and entrusted funds	-	-	-	-	365	(*)
V	Valuable papers issued	-	-	-	-	19,912,623	(*)
VI	Other financial liabilities	-	-	-	-	27,365,280	(*)
		117,752	-	-	-	1,658,485,696	1,658,603,448

(*) Due to insufficient information for valuation techniques, fair value of these financial assets and financial liabilities without an active market is not reliably estimated, and therefore is not disclosed.

Fair value disclosure Circular 210 requires disclosures on fair value measurement method and related information of financial assets and financial liabilities for the purpose of comparing the fair value and book value. The following table presents book value and fair value of Vietcombank’s financial assets and financial liabilities as at 31 December 2023:

				Giá trị ghi sổ – gộp			
		Kinh doanh VND million	Giữ đến ngày đáo hạn VND million	Cho vay và phải thu VND million	Sẵn sàng để bán VND million	Hạch toán theo giá trị phân bổ VND million	Tổng giá trị ghi sổ VND million
Financial assets							Giá trị hợp lý VND million
I	Cash, gold, silver and gemstones	-	-	14,504,849	-	-	14,504,849
II	Balances with the State Banks	-	-	58,104,503	-	-	58,104,503
III	Balances with and loans to other credit institutions	-	-	342,177,582	-	-	(*)
IV	Trading securities – gross	2,511,395	-	-	-	-	(*)
V	Loans to customers – gross	-	-	1,270,359,018	-	-	(*)
VI	Investment securities – gross	-	78,009,747	-	67,882,480	-	(*)
VII	Capital contributions, long-term investments – gross	-	-	-	1,529,145	-	(*)
VIII	Other financial assets – gross	-	-	24,539,444	-	-	(*)
		2,511,395	78,009,747	1,709,685,396	69,411,625	-	1,859,618,163
Financial liabilities							
I	Due to the Government and the State Banks and deposits and borrowings from other credit institutions	-	-	-	-	215,509,817	(*)
II	Deposits from customers	-	-	-	-	1,395,697,611	(*)
III	Derivatives and other financial liabilities	117,752	-	-	-	-	117,752
IV	Funds for finance, entrusted investments and entrusted funds	-	-	-	-	365	(*)
V	Valuable papers issued	-	-	-	-	19,912,623	(*)
VI	Other financial liabilities	-	-	-	-	27,365,280	(*)
		117,752	-	-	-	1,658,485,696	1,658,603,448

Risk management policies for financial instruments

The Board of Directors has the highest authority and responsibilities for all of Vietcombank’s operations relating to financial risk management to facilitate its sustainable growth.

Having taken those functions and responsibilities, the Board of Directors appropriately promulgates risk management policies and strategies for each period; establishes risk limits; directly approves high-value business transactions in accordance with legal and Vietcombank’s requirements for each period; and determines organizational structure and key personnel positions.

Risk management strategies and policies of the Board of Directors are adhered to Vietcombank’s charter and General Shareholders’ Meeting resolution for each period.

The Risk Management Committee is established by the Board of Directors to assist the Board of Directors in

managing all risks that may arise from Vietcombank’s day-to-day business operations.

The Asset and Liability Credit and Operational Risk Committee (“ALCO”) is established and chaired by the Chief Executive Officer. ALCO members are key personnel of Vietcombank who are in-charge of risk management within Vietcombank.

ALCO is responsible for comprehensively monitoring and managing assets and liabilities in the consolidated and separate statement of financial position of Vietcombank in order to maximize profit while minimising loss arising from negative market trends, manage liquidity risk and appropriately direct interest and foreign exchange rate schemes.

Within its authority, ALCO has the authority to make risk management decisions.

Credit risk

Vietcombank is exposed to credit risk, which is the risk of incurring a loss because its customers or counterparties fail to discharge their contractual obligations. Credit exposures arise mainly in lending activities relating to loans to customers and advances, and in investments in debt securities. Off-balance sheet financial instruments, such as loan commitments, also contain credit risk. Vietcombank controls and manages credit risk by setting up related policies and procedures, including the credit risk management policies and operational risk management policy by the Risk Management Committee and Credit Committee.

Vietcombank classifies loans to customers and loans to other credit institutions, off-balance sheet commitments, entrusted funds and unlisted corporate bonds in accordance with Circular 11 (Note 2(i)), and regularly assesses credit risk of non-performing loans in order to have appropriate resolutions.

In order to manage credit risk, Vietcombank has established policies and procedures relating to credit risk management; established credit risk management; performed credit risk assessment; set up internal credit rating systems and debt classification and decentralized authorization in credit activities.

	Neither past due nor impaired	Past due but not impaired VND million	Impaired and provision made VND million	Total VND million
Balances with the State Banks	58,104,503	–	–	58,104,503
Balances with and loans to other credit institutions – gross	335,977,582	–	6,200,000	342,177,582
Balances with other credit institutions	312,001,875	–	–	312,001,875
Loans to other credit institutions	23,975,707	–	6,200,000	30,175,707
Trading securities – gross	2,249,222	–	–	2,249,222
Loans to customers – gross	1,234,085,339	8,618,819	27,654,860	1,270,359,018
Investment securities – gross	145,713,476	–	178,751	145,892,227
Available-for-sale securities	67,882,480	–	–	67,882,480
Held-to-maturity securities	77,830,996	–	178,751	78,009,747
Other assets	24,539,444	–	–	24,539,444
	1,800,669,566	8,618,819	34,033,611	1,843,321,996

Description and the book value of collaterals held by Vietcombank at the reporting date are presented in Note 38.

Interest rate risk

Interest rate risk is the risk that the fluctuation of interest rates adversely impacts on the Bank’s income, assets, liabilities and other off-balance sheet commitments.

The actual interest re-pricing term is the remaining term starting from the end of the accounting period to the nearest interest re-pricing date of the items in the consolidated statement of financial position.

The following assumptions and conditions have been adopted in the analysis of actual interest re-pricing term of asset and liabilities items in the consolidated statement of financial position of Vietcombank:

- Cash, gold, silver and gemstones, capital contributions, long-term investments, derivatives and other financial assets, and other assets (including fixed assets and other assets) are classified as “Free of interest” items;
- Trading securities being debt securities are classified into appropriate term scale based on securities’s average holding time in assessed period of up to 3 prior consecutive years;
- The actual interest re-pricing terms of investment securities are subject to issuers’ terms and conditions on interest rate of issuing institution for each security type;
- The actual interest re-pricing terms of balances with and loans to other credit institutions, loans to customers, due to the Government and the SBV, deposits and borrowings from other credit institutions, deposits from customers, funds for finance, entrusted investments, entrusted funds, valuable papers issued and other liabilities are identified as follows:
 - » Items with fixed interest rate during the contractual term: the actual interest re-pricing term is based on the contractual maturity date subsequent to the end of the accounting period;
 - » Items with floating interest rate: the actual interest re-pricing term is based on the nearest re-pricing term subsequent to the end of the accounting period.
- The actual interest re-pricing term of valuable papers issued is based on valuable papers’ maturities and Vietcombank’s interest rate for each issuance.

The following table presents the interest rate re-pricing terms of Vietcombank’s assets and liabilities as at 31 December 2023:

		Overdue VND million	Free of interest VND million	Up to 1 month VND million
Assets				
I	Cash, gold, silver and gemstones	-	14,504,849	-
II	Balances with the State Banks	-	-	58,104,503
III	Balances with and loans to other credit institutions – gross	-	714,514	313,467,907
IV	Trading securities – gross	-	262,173	2,249,222
VI	Loans to customers – gross	22,458,382	-	229,160,404
VII	Investment securities – gross	-	-	9,076,901
VIII	Capital contributions, long-term investments – gross	-	2,367,370	-
IX	Fixed assets	-	7,708,181	-
X	Other assets – gross	-	30,666,768	-
Total assets		22,458,382	56,223,855	612,058,937
Liabilities				
I	Due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	210,310,694
II	Deposits from customers	-	131,310	772,395,442
III	Derivatives and other financial liabilities	-	117,752	-
IV	Funds for finance, entrusted investments and entrusted funds	-	-	-
V	Valuable papers issued	-	-	30
VI	Other liabilities	-	42,748,790	-
Total liabilities		-	42,997,852	982,706,166
Interest sensitivity gap – on statement of financial position		22,458,382	13,226,003	(370,647,229)
Accumulated interest sensitivity gap		22.458.382	35.684.385	(334.962.844)

Currency risk

Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates. The Bank was incorporated and operates in Vietnam, with VND as its reporting currency. The major currency in which Vietcombank transacts is VND. Vietcombank’s loans to customers are mainly denominated in VND, USD and EUR. Some of Vietcombank’s other assets and other liabilities are in currencies other than VND, USD and EUR. Vietcombank has set limits on currency positions based on its internal risk management system and relevant statutory requirements stipulated by the SBV. Currency positions are monitored on a daily basis and hedging strategies used to ensure positions are maintained within established limits.

		From 1 to 3 months VND million	From over 3 months to 6 months VND million	From over 6 months to 12 months VND million	From over 1 year to 5 years VND million	Over 5 years VND million	Total VND million
		-	-	-	-	-	14,504,849
		-	-	-	-	-	58,104,503
		14,879,251	9,808,511	3,307,399	-	-	342,177,582
		-	-	-	-	-	2,511,395
		447,055,654	404,229,941	96,683,794	69,388,826	1,382,017	1,270,359,018
		5,335,655	12,844,188	15,607,784	77,673,439	25,354,260	145,892,227
		-	-	-	-	-	2,367,370
		-	-	-	-	-	7,708,181
		-	-	-	-	-	30,666,768
		467,270,560	426,882,640	115,598,977	147,062,265	26,736,277	1,874,291,893
		4,408,283	766,628	24,212	-	-	215,509,817
		207,337,800	211,311,961	197,489,909	7,002,423	28,766	1,395,697,611
		-	-	-	-	-	117,752
		-	-	365	-	-	365
		-	2,000,000	16,547,593	-	1,365,000	19,912,623
		613,574	-	-	-	-	43,362,364
		212,359,657	214,078,589	214,062,079	7,002,423	1,393,766	1,674,600,532
		254,910,903	212,804,051	(98,463,102)	140,059,842	25,342,511	199,691,361
		(80.051.941)	132.752.110	34.289.008	174.348.850	199.691.361	

The followings are the major exchange rates applied by Vietcombank at the reporting date:

	Tỷ giá hối đoái tại ngày	
	31/12/2023	31/12/2022
USD/VND	24,250	23,570
EUR/VND	26,955	25,280

The following table presents Vietcombank’s assets and liabilities denominated in foreign currencies that are converted into VND as at 31 December 2023:

		VND VND million	USD VND million
Assets			
I	Cash, gold, silver and gemstones	11,757,311	2,076,920
II	Balances with the State Banks	31,993,185	26,030,277
III	Balances with and loans to other credit institutions – gross	269,566,836	49,707,638
IV	Trading securities – gross	2,511,395	-
VI	Loans to customers – gross	1,139,628,560	127,489,312
VII	Investment securities – gross	120,448,265	25,443,962
VIII	Capital contributions, long-term investments – gross	2,367,370	-
IX	Fixed assets	7,667,432	35,869
X	Other assets – gross	27,611,642	2,921,610
Total assets		1,613,551,996	233,705,588
Liabilities			
I	Due to the Government and the SBV and deposits and borrowings from other credit institutions	150,279,955	48,662,843
II	Deposits from customers	1,214,126,217	173,286,733
III	Derivatives and other financial liabilities	(7,061,835)	7,192,035
IV	Funds for finance, entrusted investments and entrusted funds	365	-
V	Valuable papers issued	19,912,577	46
VI	Other liabilities	38,532,044	4,246,981
Total liabilities		1,415,789,323	233,388,638
Currency position on statement of financial position		197,762,673	316,950

Liquidity risk

Liquidity risk arises by the Bank’s inability to fulfill debt obligations at maturity; or the Bank being able to fulfill debt obligations at maturity, but at higher costs than the average market costs, as specified in the bank’s internal regulations.

The maturity of assets and liabilities represents the remaining terms of these assets and liabilities from the end of the accounting period to the maturity date according to the underlying contractual agreements or term of issuance.

The following assumptions and conditions have been adopted in the preparation of Vietcombank’s assets and liabilities maturity analysis in the consolidated statement of financial position:

- Cash, gold, silver, gemstones and balances with the State Banks (including the compulsory deposits) are classified into term scale of up to 1 month;
- The maturity of trading securities is determined on the basis of the feasible time to convert bonds into cash because they are held in the short term for profit taking on price differences;

		EUR VND million	Tiền tệ khác VND million	Tổng cộng VND million
		329,957	340,661	14,504,849
		-	81,041	58,104,503
		3,350,783	19,552,325	342,177,582
		-	-	2,511,395
		2,399,599	841,547	1,270,359,018
		-	-	145,892,227
		-	-	2,367,370
		-	4,880	7,708,181
		13,800	119,716	30,666,768
		6,094,139	20,940,170	1,874,291,893
		1,214,763	15,352,256	215,509,817
		4,547,718	3,736,943	1,395,697,611
		(12,490)	42	117,752
		-	-	365
		-	-	19,912,623
		303,693	279,646	43,362,364
		6,053,684	19,368,887	1,674,600,532
		40,455	1,571,283	199,691,361

- The maturity of investment securities is based on maturity date of each securities established by the issuers of these financial instruments;
- The maturity of balances with and loans to other credit institutions and loans to customers are based on the contractual maturity date. The actual maturity date may vary from the original contractual term when the loan/deposit contract is extended;
- The maturity of capital contributions, equity investments and fixed assets is considered to be over 5 years as these investments have no specified maturity; and
- Deposits and borrowings from other credit institutions, deposits from customers, funds for finance, entrusted investments and entrusted funds, valuable papers issued, derivatives, other assets and other liabilities are determined based on either the nature of their items or their contractual maturities. For example, demand deposits of other credit institutions at Vietcombank and current accounts of Vietcombank at other credit institutions paid upon customers’ demand are considered to be up to 1 month, the maturity of term deposits and borrowings is based on the contractual maturity date. In practice, such items may be rolled over and maintained for longer period.

The following table analyses the remaining terms to maturity of Vietcombank’s assets and liabilities from 31 December 2023:

Overdue				Current					
		Over 3 months VND million	Up to 3 months VND million	Up to 1 month VND million	From over 1 month to 3 months VND million	From over 3 months to 12 months VND million	From over 1 year to 5 years VND million	Over 5 years VND million	Total VND million
Assets									
I	Cash, gold, silver and gemstones	-	-	14,504,849	-	-	-	-	14,504,849
II	Balances with the State Banks	-	-	58,104,503	-	-	-	-	58,104,503
III	Balances with and loans to other credit institutions – gross	-	-	314,182,421	14,879,251	13,115,910	-	-	342,177,582
IV	Trading securities – gross	-	-	2,511,395	-	-	-	-	2,511,395
VI	Loans to customers – gross	6,186,525	16,271,857	103,776,538	266,930,059	467,511,655	183,182,791	226,499,593	1,270,359,018
VII	Investment securities – gross	-	-	968,152	5,035,655	42,000,972	63,619,430	34,268,018	145,892,227
VIII	Capital contributions, long-term investments – gross	-	-	-	-	-	-	2,367,370	2,367,370
IX	Fixed assets	-	-	-	-	-	-	7,708,181	7,708,181
X	Other assets – gross	-	-	6,478,321	17,023,603	4,473,368	2,352,195	339,281	30,666,768
Total assets		6,186,525	16,271,857	500,526,179	303,868,568	527,101,905	249,154,416	271,182,443	1,874,291,893
Liabilities									
I	Due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	210,310,695	3,001,763	941,842	640,449	615,068	215,509,817
II	Deposits from customers	-	-	772,395,442	207,338,036	408,842,382	7,092,985	28,766	1,395,697,611
III	Derivatives and other liabilities	-	-	-	117,752	-	-	-	117,752
IV	Funds for finance, entrusted investments and entrusted funds	-	-	-	-	365	-	-	365
V	Valuable papers issued	-	-	907	-	9,488,750	300,000	10,122,966	19,912,623
VI	Other liabilities	-	-	6,257,874	25,133,569	11,257,933	556,155	156,833	43,362,364
Total liabilities		-	-	988,964,918	235,591,120	430,531,272	8,589,589	10,923,633	1,674,600,532
Net liquidity gap		6,186,525	16,271,857	(488,438,739)	68,277,448	96,570,633	240,564,827	260,258,810	199,691,361

44. SEASONAL OR CYCLICAL FACTORS

Thuyết minh về tài sản
bảo đảm

The Bank’s income statement is not affected by seasonal or cyclical factors, except for the following:

Tax	Reserves
Phù hợp với các quy định thuế hiện hành, thuế thu nhập doanh nghiệp của Ngân hàng được tính toán và quyết toán độc lập vào cuối năm. Chi phí thuế thu nhập trong kỳ được tính dựa trên thu nhập chịu thuế với thuế suất là 20%.	The reserves presented in Note 2(t) (iv) will be made at the end of the accounting period.

45. UNCOLLECTED INTERESTS AND FEES RECEIVABLES

	31/12/2023 VND million	31/12/2022 VND million
Lending interests yet to be collected	2,263,563	1,301,116
Interests from securities yet to be collected	159,088	-
Fee receivables yet to be collected	1,961	352
	2,424,612	1,301,468

46. BAD DEBTS WRITTEN-OFF

	31/12/2023 VND million	31/12/2022 VND million
Principal amounts of debts offset by provisions for credit losses and put under surveillance	33,850,327	29,780,833
Interest amounts of debts offset by provisions for credit losses and put under surveillance	34,043,288	30,420,568
Other handled debts	13,042	12,528
	67,906,657	60,213,929

47. OTHER ASSETS AND RECEIPTS

	31/12/2023 VND million	31/12/2022 VND million
Other assets in custody	399,198,828	328,556,825
Outsourced assets	(*)	(*)
Collateral provided for ensuring the discharge of the guarantor’s obligations of which disposition is awaiting	8,530	8,530
Other financial instruments in custody	175,997,044	192,699,143
	575,204,402	521,264,498

(*) The Bank has not determined the value of this item due to insufficient information and lack of detailed guidance on value determination under Vietnamese Accounting Standards and Vietnamese Accounting System for Credit Institutions.

48. CHANGES IN ACCOUNTING ESTIMATES

There is no significant change in accounting estimates made by Vietcombank and its subsidiaries in preparing and presenting these consolidated financial statements compared to those made in the most recent consolidated annual financial statements.

49. CHANGES IN VIETCOMBANK’S ORGANIZATIONAL STRUCTURE

There is no significant change in the organizational structure of Vietcombank in preparing and presenting these consolidated financial statements for the year ended 31 December 2023 compared to those made in the most recent consolidated annual financial statements.

50. SUBSEQUENT EVENTS

There was no significant subsequent event after 31 December 2023 to the issued date of these consolidated financial statements that may have material effect on the financial position of Vietcombank and require adjustments or disclosures in these consolidated financial statements for the year ended 31 December 2023.

51. APPROVAL OF THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements were approved by the Board of Management of the Bank on 29 March 2024.

Prepared by:



Ms. Nguyen Thi Thu Huong
Deputy Director of
Financial and Accounting
Policy Department

Approved by:



Ms. La Thi Hong Minh
Chief Accountant

Hanoi, 29 March 2024



Ms. Phung Nguyen Hai Yen
Deputy CEO