

Joint Stock Commercial Bank for Foreign Trade of Vietnam

Interim separate financial statements
for the six-month period ended 30 June 2022



Joint Stock Commercial Bank for Foreign Trade of Vietnam

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Joint Stock Commercial Bank for Foreign Trade of Vietnam **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 and Decision No. 2447/QD-NHNN dated 25 November 2019 promulgated by the State Bank of Vietnam amending and supplementing the operations of Joint Stock Commercial Bank for Foreign Trade of Vietnam.

Business Registration Certificate

Business Registration Certificate No. 0103024468 dated 2 June 2008 issued by Hanoi Authority for Planning and Investment, with Enterprise Code No. 0100112437 being amended 15th time on 14 April 2022.

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

Mr. Pham Quang Dung	Chairman	Appointed on 30 August 2021
Mr. Do Viet Hung	Member	Appointed on 26 April 2019
Mr. Nguyen Manh Hung	Member	Re-appointed on 27 April 2018
Mr. Nguyen My Hao	Member	Re-appointed on 27 April 2018
Mr. Pham Anh Tuan	Member	Re-appointed on 27 April 2018
Mr. Hong Quang	Member	Appointed on 27 April 2018
Mr. Truong Gia Binh	Member	Appointed on 27 April 2018
Mr. Shorijo Mizoguchi	Member	Appointed on 23 April 2021

Members of the Board of Management during the period and at the date of this report are:

Mr. Nguyen Thanh Tung	Deputy CEO In charge of the Board of Management	Appointed on 30 August 2021
Mr. Pham Manh Thang	Deputy CEO	Re-appointed on 10 March 2019
Ms. Nguyen Thi Kim Oanh	Deputy CEO	Re-appointed on 26 December 2019
Ms. Dinh Thi Thai	Deputy CEO	Re-appointed on 9 June 2020
Ms. Phung Nguyen Hai Yen	Deputy CEO	Appointed on 15 December 2017
Mr. Le Quang Vinh	Deputy CEO	Appointed on 15 December 2017
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

Joint Stock Commercial Bank for Foreign Trade of Vietnam
Bank's Information (continued)

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

Mr. Lai Huu Phuoc	Head of the Board	Appointed on 4 November 2020
Ms. La Thi Hong Minh	Member	Re-appointed on 27 April 2018
Ms. Do Thi Mai Huong	Member	Re-appointed on 27 April 2018
Ms. Tran My Hanh	Member	Appointed on 29 April 2022

Chief Accountant Mr. Le Hoang Tung
Appointed on 15 December 2017

Legal Representative Since 30 August 2021
Mr. Pham Quang Dung
Title: Chairman of the Board of Directors

Authorised signature on financial statements Since 29 September 2021
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

Joint Stock Commercial Bank for Foreign Trade of Vietnam

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 interim separate financial statements of the Bank for the six-month period ended 30 June 2022.

The Board of Management's responsibility in respect of the interim separate financial statements

The Board of Management is responsible for the interim separate financial statements of each financial period which give a true and fair view of the interim separate financial position of the Bank and of the interim separate results of its operations and its interim separate cash flows for the period. In preparing those interim separate financial statements, the Board of Management 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 have been followed, subject to any material departures disclosed and explained in the interim separate financial statements; and
- prepare the interim separate financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue its business.

The Board of Management is responsible for ensuring that proper accounting records are kept which disclose, with reasonable accuracy at any time, the interim separate financial position of the Bank 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

Statement by the Board of Management

The Board of Management does hereby state that, in its opinion, the accompanying interim separate financial statements give a true and fair view of the interim separate financial position of the Bank as at 30 June 2022, and of the interim separate results of its operations and its interim separate cash flows for the six-month period 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 interim separate financial statements.

For and on behalf of the Board of Management:



Ms. Phung Nguyen Hai Yen
Deputy CEO

Hanoi, 15 August 2022

Reference: 60755043/23046448-SX

REPORT ON REVIEW OF INTERIM SEPARATE FINANCIAL STATEMENTS

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

We have reviewed the accompanying interim separate financial statements of Joint Stock Commercial Bank for Foreign Trade of Vietnam (“the Bank”), as prepared on 15 August 2022 and set out on pages 6 to 58 which comprise the interim separate statement of financial position as at 30 June 2022, the interim separate income statement and the interim separate cash flow statement for the six-month period then ended and the notes thereto.

Management's responsibility

The Bank's management is responsible for the preparation and fair presentation of the interim separate 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 interim separate financial statements, and for such internal control as management determines is necessary to enable the preparation and presentation of interim separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on these interim separate financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements No. 2410 - Review of interim financial information performed by the Independent Auditor of the Entity.

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

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim separate financial statements do not give a true and fair view, in all material respects, of the interim separate financial position of the Bank as at 30 June 2022, and of the interim separate results of its operations and its interim separate cash flows for the six-month period 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 interim separate financial statements.

Other matter

The interim separate financial statements of the Bank for the six-month period ended 30 June 2021 were reviewed by another audit firm which expressed an unmodified conclusion on those financial statements on 13 August 2021. In addition, the separate financial statements of the Bank as at 31 December 2021 were audited by this auditor who issued unqualified opinion on those financial statements on 21 March 2022.

Ernst & Young Limited Vietnam



Dang Phuong Ha
Deputy General Director
Audit Practising Registration
Certificate No. 2400-2018-004-1

Hanoi, Vietnam

15 August 2022

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Interim separate statement of financial position
as at 30 June 2022

Form B02a/TCTD
(Issued in accordance with Circular No.
49/2014/TT-NHNN
dated 31 December 2014)

No.	Items	Note	30/6/2022 VND million	31/12/2021 VND million
A	ASSETS			
I	Cash, gold, silver and gemstones		15,035,073	17,930,467
II	Balances with the State Bank of Vietnam		28,613,194	22,310,992
III	Balances with and loans to other credit institutions		256,703,399	227,554,511
1	Balances with other credit institutions		203,965,530	179,461,016
2	Loans to other credit institutions		53,737,869	52,093,495
3	Provision for balance with and loans to other credit institutions		(1,000,000)	(4,000,000)
IV	Trading securities	4	1,315,167	779,371
1	Trading securities		1,315,167	799,376
2	Provision for trading securities		-	(20,005)
V	Derivatives and other financial assets		-	303,202
VI	Loans to customers		1,057,508,833	926,140,726
1	Loans to customers	5	1,091,265,847	952,018,701
2	Provision for loans to customers	6	(33,757,014)	(25,877,975)
VIII	Investment securities	7	191,301,701	170,396,896
1	Available-for-sale securities		101,095,262	71,014,312
2	Held-to-maturity securities		90,293,045	99,557,595
3	Provision for investment securities		(86,606)	(175,011)
IX	Capital contributions, long-term investments	8	5,701,822	5,703,686
1	Investments in subsidiaries	8(a)	3,560,600	3,560,600
2	Investments in joint ventures	8(b)	545,515	545,515
3	Investments in associates	8(c)	11,110	11,110
4	Other long-term investments		1,659,597	1,661,461
5	Provision for long-term investments		(75,000)	(75,000)
X	Fixed assets		7,883,319	8,372,476
1	Tangible fixed assets		5,044,001	5,312,658
a	Cost		12,839,060	12,768,914
b	Accumulated depreciation		(7,795,059)	(7,456,256)
3	Intangible fixed assets		2,839,318	3,059,818
a	Cost		4,557,667	4,563,318
b	Accumulated amortisation		(1,718,349)	(1,503,500)
XII	Other assets		29,335,663	27,341,287
1	Receivables		17,213,634	14,140,828
2	Accrued interest and fee receivables		7,005,808	6,955,958
4	Other assets		5,116,221	6,244,501
	TOTAL ASSETS		1,593,398,171	1,406,833,614

The accompanying notes are an integral part of these interim separate financial statements

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Interim separate statement of financial position
as at 30 June 2022 (continued)

Form B02a/TCTD
(Issued in accordance with Circular No.
49/2014/TT-NHNN
dated 31 December 2014)

No.	Items	Note	30/6/2022 VND million	31/12/2021 VND million
B	LIABILITIES AND OWNERS' EQUITY			
I	Amount due to the Government and the State Bank of Vietnam	9	61,020,549	9,468,116
1	Deposits and borrowings from the Government and the State Bank of Vietnam		61,020,549	9,468,116
II	Deposits and borrowings from other credit institutions	10	168,559,782	105,578,800
1	Deposits from other credit institutions		160,134,232	104,878,800
2	Borrowings from other credit institutions		8,425,550	700,000
III	Customer deposits	11	1,195,549,727	1,136,759,508
IV	Derivatives and other financial liabilities		19,457	-
V	Fund for finance, entrusted investments and entrusted loans		5,485	7,707
VI	Valuable papers issued	12	14,414,060	17,413,979
VII	Other liabilities		33,764,771	31,082,225
1	Accrued interest and fee payables		10,951,337	9,328,950
2	Other payables	13	22,813,434	21,753,275
	TOTAL LIABILITIES		1,473,333,831	1,300,310,335
VIII	Owners' equity			
1	Capital		52,320,967	42,084,575
a	Charter capital		47,325,166	37,088,774
c	Share premium		4,995,389	4,995,389
g	Other capital		412	412
2	Reserves		17,799,007	17,799,503
5	Retained earnings		49,944,366	46,639,201
a	Previous years' retained earnings		36,404,055	30,678,442
b	Current period's/year's retained earnings		13,540,311	15,960,759
	TOTAL OWNERS' EQUITY	15(a)	120,064,340	106,523,279
	TOTAL LIABILITIES AND OWNERS' EQUITY		1,593,398,171	1,406,833,614

The accompanying notes are an integral part of these interim separate financial statements

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Interim separate statement of financial position
as at 30 June 2022 (continued)

Form B02a/TCTD
(Issued in accordance with Circular No.
49/2014/TT-NHNN
dated 31 December 2014)

No.	Items	Note	30/6/2022 VND million	31/12/2021 VND million
OFF-BALANCE SHEET ITEMS				
1	Credit guarantees		2,194,712	2,447,477
2	Foreign exchange commitments		102,458,696	81,044,022
	<i>Foreign exchange commitments - buy</i>		6,855,324	3,470,214
	<i>Foreign exchange commitments - sell</i>		6,963,778	3,466,305
	<i>Swap commitments</i>		88,639,594	74,107,503
3	Letters of credit		110,426,429	65,378,199
4	Other guarantees		54,722,026	51,576,893
5	Other commitments		48,860	-
6	Uncollected interest and fee receivables		940,399	911,618
7	Bad debts written-off		55,443,492	55,195,565
8	Other assets and receipts		388,991,662	351,544,901

Hanoi, 15 August 2022

Prepared by:

Approved by:

Ms. Nguyen Thi Thu Huong

Mr. Le Hoang Tung

Ms. Phung Nguyen Hai Yen

*Deputy Director of
Financial and Accounting
Policy Department*

Chief Accountant

Deputy CEO



Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Interim separate income statement
for the six-month period ended 30 June 2022

Form B03a/TCTD
(Issued in accordance with Circular No.
49/2014/TT-NHNN
dated 31 December 2014)

No.	Items	Note	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
1	Interest and similar income	16	39,509,087	34,669,088
2	Interest and similar expenses	17	(15,122,820)	(13,798,946)
I	Net interest and similar income		24,386,267	20,870,142
3	Fee and commission income		5,399,735	5,452,272
4	Fee and commission expenses		(2,218,608)	(1,847,980)
II	Net fee and commission income		3,181,127	3,604,292
III	Net gain from trading in foreign currencies		2,991,863	2,026,445
IV	Net loss from trading securities	18	(8,882)	(4,890)
V	Net gain from investment securities		86,287	-
5	Other income		1,561,066	1,612,555
6	Other expenses		(196,539)	(268,971)
VI	Net other income		1,364,527	1,343,584
VII	Income from capital contributions and equity investments	19	27,730	9,423
	TOTAL OPERATING INCOME		32,028,919	27,848,996
VIII	TOTAL OPERATING EXPENSES	20	(10,110,054)	(9,326,563)
IX	Net operating profit before provision for credit losses		21,918,865	18,522,433
X	Provision expense for credit losses		(5,000,408)	(5,501,201)
XI	PROFIT BEFORE TAX (CARRIED TO THE NEXT PAGE)		16,918,457	13,021,232

The accompanying notes are an integral part of these interim separate financial statements

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Interim separate income statement
for the six-month period ended 30 June 2022 (continued)

Form B03a/TCTD
(Issued in accordance with
Circular No. 49/2014/TT-NHNN
dated 31 December 2014)

No.	Items	Note	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
XI	PROFIT BEFORE TAX (BROUGHT FROM THE PREVIOUS PAGE)		16,918,457	13,021,232
7	Current corporate income tax expense		(3,378,145)	(2,602,362)
XII	Corporate income tax expense		(3,378,145)	(2,602,362)
XIII	NET PROFIT AFTER TAX		13,540,312	10,418,870

Hanoi, 15 August 2022

Prepared by:

Approved by:

Ms. Nguyen Thi Thu Huong

Mr. Le Hoang Tung

Ms. Phung Nguyen Hai Yen

*Deputy Director of
Financial and Accounting
Policy Department*

Chief Accountant

Deputy CEO



The accompanying notes are an integral part of these interim separate financial statements

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Interim separate cash flow statement
for the six-month period ended 30 June 2022 (Direct method)

Form B04a/TCTD
(Issued in accordance with Circular No.
49/2014/TT-NHNN
dated 31 December 2014)

No.	Items	Note	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
CASH FLOWS FROM OPERATING ACTIVITIES				
01	Interest and similar income received		39,460,540	35,686,860
02	Interest and similar expenses paid		(13,527,229)	(14,231,227)
03	Net fee and commission income received		2,341,577	2,764,742
04	Net receipts from foreign currencies, gold, and securities trading activities		3,161,633	1,785,301
05	Other expenses paid		(123,475)	(221,527)
06	Receipts from recovery of bad debts previously written off		1,487,320	1,563,527
07	Payments to employees and for other operating activities		(8,269,289)	(7,792,292)
08	Corporate income tax paid during the period		(2,926,684)	(3,619,701)
Net cash flows from operating activities before changes in operating assets and liabilities			21,604,393	15,935,683
(Increase)/decrease in operating assets				
09	Balance with and loans to other credit institutions		(1,889,965)	12,877,817
10	Trading securities		(2,543,696)	7,427,589
11	Derivatives and other financial assets		303,202	-
12	Loans to customers		(139,247,146)	(80,882,002)
13	Utilisation of provision for credit losses		(124,683)	(618,003)
14	Other operating assets		(2,037,494)	(3,930,846)
Increase/(decrease) in operating liabilities				
15	Amount due to the Government and the SBV		51,552,433	(32,099,519)
16	Deposits and borrowings from other credit institutions		62,980,982	(19,584,796)
17	Customers deposits		58,790,219	19,934,951
18	Valuable papers issued		(2,999,554)	(5,700)
19	Funds for finance, entrusted investments and entrusted loans		(2,222)	(4,795)
20	Derivatives and other financial liabilities		19,457	(21,410)
21	Other operating liabilities		4,755,741	3,217,468
22	Payments from reserves		(1,323,993)	(1,529,593)
I	Net cash flows from/(used in) operating activities		49,837,674	(79,283,156)

The accompanying notes are an integral part of these interim separate financial statements

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Interim separate cash flow statement
for the six-month period ended 30 June 2022
(Direct method - continued)

Form B04a/TCTD
(Issued in accordance with Circular
No. 49/2014/TT-NHNN
dated 31 December 2014)

No.	Items	Note	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
CASH FLOWS FROM INVESTING ACTIVITIES				
01	Purchases of fixed assets		(64,495)	(344,453)
02	Proceeds from disposals of fixed assets		3,443	2,134
03	Payments for disposals of fixed assets		(2,761)	(550)
07	Payments for investments in other entities		-	(118,320)
08	Proceeds from investments in other entities		1,864	-
09	Dividends and interest received from long-term investments and capital contributions		27,730	9,423
II	Net cash flows used in investing activities		(34,219)	(451,766)
CASH FLOWS FROM FINANCING ACTIVITIES				
03	Dividend paid to shareholders		(3,329,224)	(747,619)
III	Net cash flows used in financing activities		(3,329,224)	(747,619)
IV	Net cash flows during the period		46,474,231	(80,482,541)
V	Cash and cash equivalents at the beginning of the period		232,843,012	291,166,400
VII	Cash and cash equivalents at the end of the period	21	279,317,243	210,683,859

Hanoi, 15 August 2022

Prepared by:

Approved by:

Ms. Nguyen Thi Thu Huong

Mr. Le Hoang Tung

Ms. Phung Nguyen Hai Yen

*Deputy Director of
Financial and Accounting
Policy Department*

Chief Accountant

Deputy CEO



The accompanying notes are an integral part of these interim separate financial statements

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Notes to the interim separate financial statements
for the six-month period ended 30 June 2022

(15)

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

1. Reporting entity

(a) 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 equitisation 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, Business Registration Certificate No. 0103024468 dated 2 June 2008 by Hanoi Authority for Planning and Investment and Enterprise Code No. 0100112437 reissued for the 15th time on 14 April 2022.

The principal activities of the Bank in accordance with Decision No. 2719/QD-NHNN dated 27 December 2011, Decision No. 2182/QD-NHNN dated 26 October 2015, 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 and Decision No. 2447/QD-NHNN dated 25 November 2019 amending and supplementing to Establishment and Operation Licence No. 138/GP-NHNN on the contents of the Bank's operations are to mobilise and receive short, medium and long-term deposits from organisations and individuals; lending to organisations and individuals up to the nature and ability of the Bank's capital resources; conduct settlement and cash services; provide other banking services as approved by the SBV; invest in associates, joint-ventures and other companies; invest in stocks and bonds and real-estate business in accordance with the relevant regulations; trade in and supply interest rates derivatives and commodity price derivatives in accordance with the relevant regulations; purchase debts; trade in and provide foreign exchange services in the domestic and international markets in accordance with the relevant regulations of the SBV.

(b) 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 by Hanoi Authority for Planning and Investment, the Bank's charter capital was VND12,100,860,260,000. Under Enterprise Registration Certificate with Enterprise Code No. 0100112437 reissued for the 13th time on 16 January 2019 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. 300/QD-NHNN dated 21 February 2019 of the SBV, the Bank's charter capital was VND37,088,774,480,000. Under Business Registration No. 0100112437 reissued for the 15th time on 14 April 2022 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. 300/QD-NHNN dated 21 February 2019 replacing Decision No. 95/QD-NHNN dated 18 January 2017 of the SBV, the Bank's charter capital was VND 47,325,165,710,000. The par value per share is VND10,000.

	30/06/2022		31/12/2021	
	Number of shares	%	Number of shares	%
Shares owned by the Government of Vietnam	3,540,074,921	74.80%	2,774,353,387	74.80%
Shares owned by foreign strategic shareholder (Mizuho Bank Ltd., Japan)	709,883,374	15.00%	556,334,933	15.00%
Shares owned by other shareholders	482,558,276	10.20%	378,189,128	10.20%
	4,732,516,571	100%	3,708,877,448	100%

(c) Location and network

The Bank's Head Office is located at 198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam. As at 30 June 2022, 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 one (121) 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.

(d) Subsidiaries, joint-ventures, and associates

Subsidiaries

As at 30 June 2022 and 31 December 2021, the Bank has seven (7) subsidiaries:

Subsidiaries	Operating Licence	Business sector	Ownership percentage of the Bank
Vietcombank Financial Leasing Company Limited	Operating Licence No. 66/GP-NHNN dated 31 October 2017 granted by the SBV	Financial leasing	100%
Vietcombank Securities Company Limited	Operating Licence No. 09/GPHDKD dated 24 April 2002, the most recent amendment is Operating Licence No. 63/GPDC-UBCK dated 29 December 2017 granted by the State Securities Commission of Vietnam ("SSC")	Securities	100%
Vietnam Finance Company Limited in Hong Kong ("Vinafico")	Business Registration No. 58327 dated 10 February 1978 issued 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 27 December 2021 granted by Ho Chi Minh City Authority for Investment and Planning	Receipt of foreign exchange remittance	100%
Vietcombank Laos Limited	Operating Licence No. 88/BOL dated 25 May 2018 granted by Bank of the Lao PDR	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	Foreign exchange remittance	87.5%
Vietcombank Tower 198 Ltd.	Investment Licences 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%

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Notes to the interim separate financial statements
for the six-month period ended 30 June 2022 (continued)

Form B05a/TCTD
(Issued in accordance with
Circular No. 49/2014/TT-NHNN
dated 31 December 2014)

Joint-ventures

As at 30 June 2022 and 31 December 2021:

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 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. 17/GPDC-UBCK dated 9 February 2018	Investment fund management	51%

Associates

As at 30 June 2022 and 31 December 2021:

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 Department of Planning and Investment and the most recent Amended Licence No. 283/GPDC4 dated 4 March 2002	Office leasing	16%

(e) Number of employees

As at 30 June 2022, the Bank had 21,671 employees (31 December 2021: 20,982 employees).

2. Summary of significant accounting policies

The following significant accounting policies have been adopted by the Bank in the preparation and presentation of these interim separate financial statements.

(a) Purpose of preparing the interim separate financial statements

The Bank has subsidiaries as presented in Note 1(d) and Note 8(a). The Bank prepared these interim separate financial statements to meet the prevailing requirements in relation to disclosure of information, specifically the 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, at the date of these interim separate financial statements, the Bank is in the process of preparation of the interim consolidated financial statements of the Bank and its subsidiaries for the six-month period ended 30 June 2022 as required by Circular 96.

Users of the interim separate financial statements should read them together with the said interim consolidated financial statements in order to obtain full information on the interim consolidated financial position, interim consolidated results of operations and interim consolidated cash flows of the Bank and its subsidiaries.

(b) Basis of preparation

The interim separate 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 interim separate financial statements.

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

(c) Accounting period

The Bank's annual accounting period is from 1 January to 31 December. The interim separate financial statements are prepared for the six-month period ended 30 June 2022.

(d) Changes in accounting policies

The accounting policies adopted by the Bank in preparation of the interim separated financial statements are consistent with those followed in the preparation of the separated financial statements for the year ended 31 December 2021 and the interim separated financial statements for the six-month period ended 30 June 2021, except for:

Circular No. 11/2021/TT-NHNN regulating the classification of assets, rates and the method of setting up risk provisions, and the use of provisions against credit risks in banking activity of credit institutions and, foreign bank branches ("Circular 11")

On 30 July 2021, the SBV issued Circular 11 which is effective from 1 October 2021 to replace Circular 02/2013/TT-NHNN date 21 January 2013 and Circular 09/2014/TT-NHNN dated 18 March 2014. Main changes by Circular 11 include:

- Amend regulation on date and steps of loan classification and provision processes. Accordingly, at least once per month, within the first seven (7) days of the month, credit institutions and foreign bank branches implement its loan classification and provision for loans outstanding at the end of the last day of the previous month. At the same time, credit institutions and foreign bank branches are required to adjust its own classification and corresponding provision based on loan classification provided by CIC;
- Amend and supplement some regulations on quantitative criteria of loan classifications and determination of deductible value of collateral used for making provision for credit loss;
- Supplement list of assets whose general provision is not required to be made for, including treasury bills, certificate of deposits, bonds issued by other domestic credit institutions/foreign bank branches and Government bonds under sell and repurchase transactions.

Circular No. 14/2021/TT-NHNN ("Circular 14") on amending and supplementing Circular No. 01/2020/TT-NHNN ("Circular 01") dated 13 March 2020 of the Governor of the State Bank of Vietnam providing regulations on loan restructuring, interest and/or fees exemption or reduction and debt classification retention for credit institutions and foreign bank branches to assist customers affected by the COVID-19 pandemic.

On 7 September 2021, the SBV issued Circular 14 which is effective from 7 September 2021 accordingly to amend and supplement some articles of Circular 01 with the main changes include:

- Revise and supplement condition for loans whose payment terms are restructured or whose interest and fee are reduced or exempted but classifications are remained;
- Supplement regulation on making specific provision and additional provision for borrowers having loans with payment terms are restructured or interest and fee are reduced or exempted as Circular regulated.

Circular No. 24/2022/TT-BTC ("Circular 24") dated 7 April 2022 on amending and supplementing several articles of Circular 48/2019/TT-NHNN dated 8 August 2019 of the Ministry of Finance providing regulations on making and settlement of provisions for devaluation of inventory, losses of financial investments, bad debts and warranties for products, goods, services or construction works at enterprises.

Circular 24 takes effect from 25 May 2022, amending and supplementing regulations on objects of provisioning whereby the securities subject to the provisioning requirement are types of securities issued by domestic business entities in accordance with law; under the ownership of enterprises; listed or registered for trades to be performed on the domestic securities market; freely traded on the market at the actual price determined at the time of completion of annual financial statements which is less than the book value of investments in securities.

Government bonds, Government-guaranteed bonds and municipal bonds are exempted from such provisioning requirement.

Circular No. 27/2021/TT-NHNN ("Circular 27") on amending and supplementing to several articles in the chart of accounts of credit institutions attached with the Decision 479/2004/QĐ-NHNN dated 29 April 2004 ("Decision 479") and the financial reporting policies applicable to credit institutions attached with Decision 16/2007/QĐ-NHNN dated 18 April 2007 by the Governor of the State Bank of Vietnam ("Decision 16").

On 31 December 2021, the SBV issued Circular 27 which is effective from 1 April 2022, amending and supplementing several articles in the chart of account of credit institutions and the financial reporting regime for credit institutions issued as attachment to Decision 479 and Decision 16. Main changes by Circular 27 include:

- Amending and supplementing several accounts in chart of accounts applicable to credit institutions;
- Amending and supplementing several items in financial statements and some notes to the financial statements in forms B02a/TCTD-HN, B03a/TCTD-HN, B05a/TCTD-HN;
- Replacing the names of the financial statement forms and replacing, abolishing some other phrases previously prescribed in Decision 16.

(e) 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 interim separate income statement at the spot exchange rates at the transaction date.

Foreign exchange differences arising during the period are recorded in the interim separate income statement.

(f) Cash and cash equivalents

Cash and cash equivalents include cash on hand, balances with the SBV, 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 more than three months from the transaction date, securities with recovery or maturity period of not more than 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.

(g) Balances with and loans to other credit institutions

Balances with other credit institutions, (except for demand deposits and deposit with Vietnam Bank for Social Policies according to SBV's regulation of maintaining deposit balance with Vietnam Bank for Social Policies for State-owned credit institutions) 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 terms to maturity not exceeding twelve months.

Current deposits at 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.

Loan 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. Accordingly, the Bank classifies debts and makes specific provision for term deposits with and loans to other credit institutions in accordance with the accounting policy described in Note 2(h).

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

(h) Loans to customers

(i) Loans to customers

Loans to customers are presented on the interim separate statement of financial position at the principal amounts outstanding as at the reporting date.

Provision for credit loss on loans to customers is accounted and presented in a separate line on the interim separate statement of financial position. Provision for credit loss comprises specific provision for credit risk and general provision for credit risk.

(ii) Loan classification

Prior to 1 October 2021

The Bank performed loan classification for loans to customers in accordance with the requirements of Circular No. 02/2013/TT-NHNN dated 21 January 2013 issued by SBV on classification of assets, levels and method of setting up of risk provisions, and use of provisions against credit risks in the banking activity of credit institutions, foreign banks' branches ("Circular 02") and Circular No. 09/2014/TT-NHNN dated 18 March 2014 issued by SBV on amending, supplementing a number of Articles of Circular 02 ("Circular 09").

Since 1 January 2010, the Bank has applied Article 7, Decision No. 493/2005/QĐ-NHNN dated 22 April 2005 issued by the SBV to make loan classification based on the qualitative method as approved by the SBV. However, according to Circular 02, the Bank 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 shall be classified into the group of higher risk.

Since 1 January 2015, the Bank has used the information from Credit Information Center ("CIC") about the loan group of customers at the time of loan 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 loan groups provided in CIC's list, the Bank shall adjust its classification of loans and off-balance commitments following the loan groups provided by CIC.

From 1 October 2021

The Bank performs loan classification for loans to customers in accordance with the requirements of Circular 11.

Since 1 January 2010, the Bank has applied Article 7, Decision No. 493/2005/QĐ-NHNN dated 22 April 2005 issued by the SBV to make loan classification based on the qualitative method as approved by the SBV. According to Circular 11, the Bank 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, the Bank has used the information from Credit Information Center ("CIC") about the loan group of customers at the time of loan 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, the Bank shall adjust its classification of loans and off-balance commitments following the loan groups provided by CIC.

Loan classification for loans having rescheduled debt repayment term, exempted or reduced interest and fees in order to support customers affected by Covid-19 pandemic

Prior to 17 May 2021

The Bank has applied Circular No. 01/2020/TT-NHNN ("Circular 01") issued by the SBV regulating credit institutions and foreign bank branches on rescheduling the debt repayment term, exempting, reducing interest and fees, keeping loan group unchanged in order to support customers affected by Covid-19 pandemic. Accordingly, for customers with obligation 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 are not able to repay the principal and/or interest in accordance with the payment schedules specified in the signed loan contract/agreement, originally signed agreement due to decrease in revenue, profit caused by the effect of Covid-19 pandemic, the Bank is allowed to reschedule the repayment term for these debts while maintaining the same loan group as classified at the most recent date before 23 January 2020.

From 17 May 2021 to before 7 September 2021

The Bank 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, the Bank 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	From 23/1/2020 to 31/12/2021	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		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.

Joint Stock Commercial Bank for Foreign Trade of Vietnam
198 Tran Quang Khai Street, Hoan Kiem District, Hanoi, Vietnam
Notes to the interim separate financial statements
for the six-month period ended 30 June 2022 (continued)

Form B05a/TCTD
(Issued in accordance with
Circular No. 49/2014/TT-NHNN
dated 31 December 2014)

From 7 September 2021

The Bank 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 period 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, the Bank 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 loan payment obligation occurrence	Overdue status	Period of overdue occurrence	Principle of keeping loan group unchanged
Before 23/1/2020	From 23/1/2020 to 30/6/2022	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		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 having rescheduled repayment term, interest exempted or reduced and loan group being kept unchanged during the restructured term and their repayment period is not further rescheduled by the Bank in accordance with prevailing regulations, the Bank classifies these debts in accordance with Circular 11, taking into account the number of times of rescheduling repayment period and keeping loan group unchanged.

(iii) Specific provision for credit risk

Prior to 1 October 2021

In accordance with the requirements of Circular 02, specific provision for credit risk of loans at the end of each quarter is determined based on the provision rates corresponding to the results of loan classification and outstanding principals of loans 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 loan classification and outstanding principals of loans

at the last working day of the second month of the last quarter of the annual accounting period) less allowed value of collaterals.

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 the provision rates corresponding to the results of loan classification and outstanding principals of loans at the last day of the month less allowed value of collaterals.

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

	<i>Provisions rate</i>
Group 1 – Current debt	0%
Group 2 – Special mentioned debt	5%
Group 3 – Sub-standard debt	20%
Group 4 – Doubtful debt	50%
Group 5 – Loss debt	100%

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

For the loans having rescheduled repayment term, exempted or reduced interest and fees in order to support customers affected by Covid-19 pandemic, the Bank determines and recognises 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 loan classification in accordance with Circular 11 (without applying the provision of keeping loan group unchanged under Circular 03) as follows:

Additional provision	Deadline
At least 30% of the total required additional specific provision	By 31 December 2021
At least 60% of the total required additional specific provision	By 31 December 2022
100% of the total required additional specific provision	By 31 December 2023

(iv) *General provision for credit risk*

Prior to 1 October 2021

The Bank 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, a 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

The Bank 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.

(v) *Bad debts written-off*

According to Circular 11, the Bank 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.

- Debts are classified into Group 5.

(i) Investments

(i) Trading securities

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

Trading securities are initially recognised at cost. They are subsequently measured at the lower of book value and market price. Gains or losses from the sales of trading securities are recognised in the interim separate income statement.

(ii) Investment securities

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

Available-for-sale 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 the Bank and the Bank 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 separate income statement on an accrual basis.

Held-to-maturity securities

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

Post-acquisition interest income from held-to-maturity securities is recognised in the interim separate income statement on an accrual basis.

Investment securities are initially recognised at cost of acquisition, including transaction costs and other directly attributable costs. They are subsequently measured at amortised cost less provision for investment securities. Premiums and discounts arising from purchases of debt securities are amortised in the interim separate 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 institution are classified and made provision for credit risk in accordance with the requirements of Circular 11 as described at Note 2(h). For other available-for-sale investment securities, allowance for diminution in the value of securities is made if their market price decreases to below their cost. For other held-to-maturity securities, allowance 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 the Bank to fully recover the investment amount.

(iii) Capital contributions, long-term investments

Investments in subsidiaries, joint-ventures and associates

Subsidiaries are entities under one of the following cases:

- The Bank or the Bank and its related parties hold more than 50% of charter capital or more than 50% share capital with the voting rights in that entity;
- The Bank has the right, directly or indirectly, to appoint most of or all of the members of the board of directors, the board of management or chief executive officer of the entity;
- The Bank has the power to amend, supplement to the entity's charter;
- The Bank and its related parties control, directly or indirectly, the resolution and decision of the annual general shareholders' meeting, the Board of Directors, and the Members' Council of the entity.

Joint-ventures are those entities to which the Bank has joint control, established by contractual agreements and require unanimous consent of all joint-venture investors for the entity's strategic financial and operating decisions.

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

Investments in subsidiaries, joint-ventures and associates are stated at cost less provision for diminution in value.

Other long-term investments

Other long-term investments represent the Bank's capital investments in other enterprises where the Bank 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 the Bank 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 recognised at cost less provision for diminution in value of the 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 the Bank at the end of the annual accounting period which has signs of decrease in value compared to the Bank's carrying value in accordance with Circular No. 48/2019/TT-BTC dated 8 August 2019 issued by the Ministry of Finance ("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 chartered capital (%) of the Bank at the economic entity at the time of provisioning. For an investment in listed securities or investments which market price can be determined reliably, provision is made based on the securities' market price when their carrying amounts are higher than their market prices.

(j) Repurchase and reverse repurchase agreements

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

Securities purchased under agreements to resell at a specific date in the future are not recognised in the interim separate financial statements. The corresponding cash paid under these agreements is recognised in the interim separate statement of financial position in "Loans to customers". The difference between the purchase price and resale price is amortised over the term of the agreement on a straight-line basis and recognised in the interim separate income statement.

(k) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties, 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 of 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;
- Historical costs of the assets must be determinable reliably, 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 interim separate income statement for the period 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.

(ii) Depreciation

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

- | | |
|--|-------------|
| - Buildings and structures | 25 years |
| - Machinery and equipment | 3 – 5 years |
| - Motor vehicles and means of transportation | 6 years |
| - Other tangible fixed assets | 4 years |

(l) Intangible fixed assets

(i) Land use rights

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

- The land use rights allocated by the Government 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 leveling, registration fee (excluding costs of construction on that land) or the value of land use rights as contributed capital.

Land use rights not recognised as intangible assets comprise:

- Land use rights allocated by the State without land use fee;
- For lease of land whose payment is made 1 time at the beginning for the entire lease period (the land is leased after the effective date of Law on lands 2003, whose land use right certificated is not grant), the lease payment is amortised gradually to operating expenses of the Bank over the lease term;
- In case lease payment is made annually, rental fee is accounted into operating expense of the period in accordance with 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 amortised.

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

(ii) Other intangible fixed assets

Other intangible fixed assets are stated at cost less accumulated amortisation. Copyrights, patents and other intangible fixed assets are amortised on a straight-line basis over basis over the period ranging from 3 to 4 years.

(m) Other assets

Except for receivables from uncollectible income as presented in Note 2(t)(iv), provision for overdue 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 assets is based on their overdue period or estimated irrevocable loss for debts that are not due but the Bank has collected evidence to identify that debtor has become bankrupt, filing for bankruptcy or has absconded; 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 the Bank filing a lawsuit due to its debtor had fled from his/her residence; the debt which has been sued for debt collection by the Bank but the case has been suspended.

<u>Overdue period</u>	<u>Provision rate</u>
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 with credit risk, the Bank conducts classification and makes provision similarly to those of loans to customers as described in Note 2(h).

(n) Deposits and borrowings from other credit institutions

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

(o) Deposits from customers

Deposits from customers are stated at cost.

(p) Valuable papers issued

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

(q) Severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for the Bank for 12 months or more ("the eligible employees") voluntarily terminates his/her labour contract, the Bank 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.

(r) Bonus and welfare fund

Bonus and welfare fund is allocated from profit after tax in accordance with the Resolution of the General Meeting of Shareholders and recorded as liabilities in the interim separate balance sheet. 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").

(s) Capital and reserves

(i) Ordinary shares

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

(ii) Share premium

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

(iii) Treasury shares

Treasury shares are recognised 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.

(iv) Reserves

Reserves are for specific purposes and appropriated from net profit after tax of the Bank at prescribed rates as below:

- Supplementary charter capital reserve: 5% of net profit after tax. According to Decree 93, the maximum rate for this reserve does not exceed the Bank's charter capital.
- Financial reserve: 10% of net profit after tax. The maximum rate for this reserve is not specified in Decree 93.
- Investment and development reserve and other reserves: are to be made upon the resolutions of the General Meeting of Shareholders and in accordance with relevant statutory requirements.

The remaining net profits after tax, after appropriation to reserves and dividends payment, are recorded as retained profits of the Bank.

(t) **Income and expenses**

(i) Interest income and interest expenses

The Bank recognises interest income from debts classified in Group 1 – Current debts as defined in Note 2(h) on accrual basis. Interest receivable from debts being kept loan group as Group 1 – Current debts as a result of adopting the State's policies and interest receivable from debts classified in Group 2 to Group 5 are recognised in the separate income statement upon receipt (cash basis).

Interest expenses are recognised on accrual basis.

(ii) Fee and commission income and cash dividend income

Fee and commission income are recognised on an accrual basis.

Cash dividends from investment activities are recognised in the interim separate income statement when the Bank's right to receive dividend is established.

(iii) Share dividends

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

(iv) Recognition of receivables not yet collected

According to Circular No. 16/2018/TT-BTC dated 7 February 2018 issued by the Ministry of Finance, income receivables that are recognised 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, the Bank recognised them in other income.

(u) Operating lease

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

(v) Corporate income tax

Corporate income tax comprises of current and deferred tax. Corporate income tax is recognised in the interim separate income statement except that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current income tax is the expected tax payable on the taxable income for the period, 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 by using the balance sheet method, providing 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 realisation 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 recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(w) Related parties

Related parties of the Bank include:

- The parent company or the credit institution considered as the parent company of the Bank;
- The Bank's subsidiaries;
- The entity that has the same parent company or credit institution with the Bank;
- Management personnel or members of the Supervisory Board of the parent company or parent credit institution of the Bank;
- Individuals or organisations which have the authority to appoint managers or members of the Supervisory Board of the parent company of the Bank;
- Management or members of the Supervisory Board of the Bank;
- Companies or organisations which have the authority to appoint managers, or members of the Supervisory Board of the Bank;
- Wives, husbands, parents, children (including foster parents, foster children, parents-in-law, son-in-law, daughter-in-law, step parents, step children), siblings (including half siblings), brothers-in-law, sisters-in-law of management personnel or 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;

- Individuals or organisations that hold at least 5% of charter capital or share capital with voting rights of the Bank; and
- Authorised representatives of owners of contributed capital and shares of the Bank.

The Government of Vietnam, through the State Bank of Vietnam, is a shareholder of the Bank. Therefore, in these interim separate financial statements, some Government agencies, including the Ministry of Finance and the State Bank of Vietnam are considered as related parties of the Bank.

(x) Segment reporting

A segment is a distinguishable component of the Bank 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.

(y) Off-balance sheet items

(i) Currency contracts

The Bank involves in currency forward and swap contracts to facilitate customers' transferring, adjusting or reducing foreign exchange risk or other market risks, and also serve the Bank's business purposes.

Currency forward contracts are commitments to sell or buy a specific currency on a pre-determined future date at a pre-determined exchange rate and are settled by cash. Forward contracts are recorded at nominal values at transaction dates and are subsequently revaluated at the reporting date. Differences on revaluation are recognised in "Foreign exchange differences" under the equity and are transferred to the interim separate 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 recognised in the interim separate income statement on a straight-line basis over the term of the forward contracts.

Currency swap contracts are commitments to settle by cash on a pre-determined future date based on the differences between pre-determined 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 recognised 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 interim separate statement of financial position. This difference is amortised to the interim separate income statement on a straight-line basis over the term of the swap contracts.

(ii) 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 recognised on the interim separate statement of financial position. Differences in interest rate swaps are recognized in the separate income statement on an accrual basis.

(iii) Commitments and contingent liabilities

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

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

(z) Offsetting

Financial assets and liabilities are offsetted and the net amounts are reported in the interim separate statement of financial position if, and only if, the Bank has currently enforceable legal rights to offset the recognised amounts and the Bank has an intention to settle on a net basis, or to realise the assets and settle the liabilities simultaneously.

3. Presentation of financial instruments in accordance with Circular No. 210/2009/TT-BTC

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

Financial assets of the Bank mainly include:

- Cash;
- Balances with the State Bank of Vietnam;
- 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.

Financial liabilities of the Bank mainly include:

- Amounts due to the Government and the State Bank of Vietnam;
- Deposits and borrowings from other credit institutions;
- Deposits from customers;
- Funds for finance, entrusted investments and entrusted loans;
- Valuable papers issued;
- Derivative financial liabilities; and
- Other financial liabilities.

(a) Classification of financial assets and liabilities

Only for the disclosure purpose in the interim separate financial statements, the Bank 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 assets held for trading;
- Held-to-maturity investments;
- Loans and receivables; and
- Available-for-sale financial assets.

Financial liabilities are classified as:

- Financial liabilities held for trading; and
- Financial liabilities carried at amortised cost.

(b) Recognition

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

(c) Derecognition

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

(d) Measurement and disclosures of fair value

In accordance with Circular 210, the Bank 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 presented in Note 24(b).

The presentation of the fair value of the financial instruments are only for the purpose of presenting in Note 24(b). The financial instruments of the Bank are still recognised and recorded in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for credit institutions issued by the SBV and the relevant statutory requirements applicable to interim 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 recognition date.

When an active market exists for a financial instrument, the Bank 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 utilise 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. Trading securities

	30/6/2022	31/12/2021
	VND million	VND million
Debt securities		
Government bonds	1,315,167	799,376
Provision for trading securities	-	(20,005)
	1,315,167	779,371

5. Loans to customers

	30/6/2022 VND million	31/12/2021 VND million
Loans to local economic entities and individuals	1,088,127,299	948,138,586
Discounted bills and valuable papers	3,137,659	3,879,226
Loans given to make payments on behalf of customers	889	889
	1,091,265,847	952,018,701

Analysis of loan portfolio by quality:

	30/6/2022 VND million	31/12/2021 VND million
Current debt	1,078,650,228	942,426,159
Special mentioned debt	5,948,198	3,493,497
Sub-standard debt	1,340,705	743,995
Doubtful debt	661,796	965,564
Loss debt	4,664,920	4,389,486
	1,091,265,847	952,018,701

Analysis of loan portfolio by original maturity:

	30/6/2022 VND million	31/12/2021 VND million
Short-term debt	592,284,488	504,123,297
Medium-term debt	43,749,914	36,853,649
Long-term debt	455,231,445	411,041,755
	1,091,265,847	952,018,701

6. Provision for loans to customers

	30/6/2022 VND million	31/12/2021 VND million
General provision	8,078,151	7,075,791
Specific provision	25,678,863	18,802,184
	33,757,014	25,877,975

Movements in general provision for loans to customers during period/year were as follows:

	Six-month period ended 30/6/2022 VND million	Year ended 31/12/2021 VND million
Opening balance	7,075,791	5,859,047
Provision made during the period/year	1,002,360	1,216,744
Closing balance	8,078,151	7,075,791

Movements in specific provision for loans to customers during period/year were as follows:

	Six-month period ended 30/6/2022 VND million	Year ended 31/12/2021 VND million
Opening balance	18,802,184	13,316,062
Provision made during the period/year	7,000,166	8,025,326
Provision utilised for writing-off bad debts	(124,683)	(2,538,370)
Foreign exchange difference	1,196	(834)
Closing balance	25,678,863	18,802,184

7. Investment securities

	30/6/2022 VND million	31/12/2021 VND million
Available-for-sale securities (a)	101,095,262	70,928,025
Held-to-maturity securities (b)	90,206,439	99,468,871
	191,301,701	170,396,896

(a) Available-for-sale securities

	30/6/2022 VND million	31/12/2021 VND million
Government bonds	33,152,762	30,327,312
Treasury bills	18,808,500	-
Debt securities issued by other local credit institutions	49,134,000	40,687,000
	101,095,262	71,014,312
Provision for available-for-sale securities	-	(86,287)
Total available-for-sale securities	101,095,262	70,928,025

(b) Held-to-maturity securities

	30/6/2022 VND million	31/12/2021 VND million
Government bonds	39,195,688	40,325,603
Debt securities issued by other local credit institutions	39,589,105	47,402,241
Debt securities issued by local economic entities	11,508,252	11,829,751
	90,293,045	99,557,595
Provision for held-to-maturity securities	(86,606)	(88,724)
Total held-to-maturity securities	90,206,439	99,468,871

8. Capital contributions, long-term investments

(a) Investments in subsidiaries

As at 30 June 2022 and as at 31 December 2021:

	Business sector	Ownership percentage (%)	Cost VND million
Vietcombank Financial Leasing Vietcombank	Finance lease	100%	500,000
Vietcombank Securities Company Limited	Securities	100%	700,000
Vietnam Finance Company Limited in Hong Kong	Financial services Receipt of foreign exchange	100%	235,222
Vietcombank Remittance Company Limited	Banking	100%	30,000
Vietcombank Laos Limited	Foreign exchange remittance	100%	1,820,400
Vietcombank Money Inc.	Office leasing	87.5%	204,978
Vietcombank Tower 198 Ltd.		70%	70,000
			3,560,600

(b) Investments in joint-ventures

As at 30 June 2022 and as at 31 December 2021:

	Business sector	Ownership percentage (%)	Cost VND million
Vietcombank – Bonday – Ben Thanh Joint-venture Company Limited (i)	Office leasing	52%	410,365
Vietcombank Fund Management (i)	Investment fund management	51%	135,150
			545,515

- (i) 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".

(c) Investments in associates

As at 30 June 2022 and as at 31 December 2021:

	Business sector	Ownership percentage (%)	Cost VND million
Vietcombank – Bonday Joint-venture Company Limited	Office leasing	16%	11,110

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".

9. Amounts due to the Government and the State Bank of Vietnam

	30/6/2022 VND million	31/12/2021 VND million
Borrowings from the State Bank of Vietnam	1,476,026	1,749,584
Borrowings on the basis of credit profiles	1,215,567	1,415,715
Other borrowings	260,459	333,869
Deposits from the State Treasury	59,075,763	7,694,274
Demand deposits in VND	785,401	201,329
Demand deposits in foreign currencies	503,362	492,945
Term deposits in VND	57,787,000	7,000,000
Deposits from the State Bank of Vietnam	468,760	24,258
	61,020,549	9,468,116

10. Deposits and borrowings from other credit institutions

	30/6/2022 VND million	31/12/2021 VND million
Deposits from other credit institutions	160,134,232	104,878,800
Demand deposits in VND	47,235,921	17,351,132
Demand deposits in foreign currencies	57,979,573	39,851,169
Term deposits in VND	51,090,000	41,380,931
Term deposits in foreign currencies	3,828,738	6,295,568
Borrowings in foreign currencies from other CIs	8,425,550	700,000
Borrowings in VND	-	700,000
Borrowings in foreign currencies	8,425,550	-
	168,559,782	105,578,800

11. Deposits from customers

	30/6/2022 VND million	31/12/2021 VND million
Demand deposits	402,420,747	367,894,452
Demand deposits in VND	321,624,865	292,282,649
Demand deposits in gold, foreign currencies	80,795,882	75,611,803
Term deposits	772,792,762	731,279,416
Term deposits in VND	701,073,989	660,343,325
Term deposits in gold, foreign currencies	71,718,773	70,936,091
Deposits for specific purposes	11,326,512	31,642,014
Margin deposits	9,009,706	5,943,626
	1,195,549,727	1,136,759,508

12. Valuable papers issued

	30/6/2022 VND million	31/12/2021 VND million
Certificates of deposits	115	115
Medium-term in VND	115	115
Bonds and bills	14,413,945	17,413,864
Short-term in VND	47	47
Short-term in foreign currencies	31	30
Medium-term in VND	3,413,853	6,413,775
Medium-term in foreign currencies	14	12
Long-term in VND	11,000,000	11,000,000
	14,414,060	17,413,979

13. Other liabilities

	30/6/2022 VND million	31/12/2021 VND million
Internal payables	4,819,828	3,681,407
External payables	15,266,840	14,030,441
Bonus and welfare fund	2,726,766	4,041,427
	22,813,434	21,753,275

14. Obligations to the State Budget

	Balance as at 1/1/2022	Occurrence during the period		Balance as at 30/06/2022		
	VND million	Incurred VND million	Paid VND million	Payables VND million	Advances VND million	Total VND million
Value added tax	61,219	249,679	(267,374)	69,756	(26,232)	43,524
Corporate income tax	555,413	3,378,394	(2,926,684)	1,051,579	(44,456)	1,007,123
<i>In which:</i>						
- Corporate income tax of the Bank	555,720	3,378,145	(2,926,684)	1,051,579	(44,398)	1,007,181
- Adjustments on tax of previous years	(250)	250	-	-	-	-
- Vinafico's tax obligation in 2008	(57)	(1)	-	-	(58)	(58)
Other taxes	138,944	881,061	(970,683)	49,322	-	49,322
	755,576	4,509,134	(4,164,741)	1,170,657	(70,688)	1,099,969

15. Owners' equity

(a) Statement of changes in equity

	Charter capital VND million	Share premium VND million	Other capital VND million	Reserves			Retained profits VND million	Total VND million
				Supple- mentary charter capital reserve VND million	Financial reserve VND million	Total VND million		
Balance as at 1/1/2022	37,088,774	4,995,389	412	5,960,709	11,838,794	17,799,503	46,639,201	106,523,279
Net profit for the period	-	-	-	-	-	-	13,540,312	13,540,312
Capital increased due to bonus shares issued in the period	10,236,392	-	-	-	-	-	(10,236,392)	-
Utilisation during the period	-	-	-	-	(496)	(496)	-	(496)
Other changes	-	-	-	-	-	-	1,245	1,245
Balance as at 30/6/2022	47,325,166	4,995,389	412	5,960,709	11,838,298	17,799,007	49,944,366	120,064,340

(b) Details of shareholders of the Bank

	30/6/2022 VND million	31/12/2021 VND million
Ordinary shares		
The Government of Vietnam	35,400,749	27,743,534
Foreign strategic shareholder (Mizuho Bank Ltd., Japan)	7,098,834	5,563,349
Other shareholders	4,825,583	3,781,891
	47,325,166	37,088,774

The Bank's authorised and issued share capital is as follows:

	30/6/2022		31/12/2021	
	Number of shares	VND million	Number of shares	VND million
Authorised share capital	4,732,516,571	47,325,166	3,708,877,448	37,088,774
Issued share capital				
Ordinary shares	4,732,516,571	47,325,166	3,708,877,448	37,088,774
Outstanding shares in circulation				
Ordinary shares	4,732,516,571	47,325,166	3,708,877,448	37,088,774

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

16. Interest and similar income

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Interest income from loans to customers	33,905,089	29,111,903
Interest income from deposits	1,262,088	770,298
Interest income from trading and investing in debt securities:	3,686,414	4,153,118
- from investment securities	3,663,464	4,114,118
- from trading securities	22,950	39,000
Income from guarantees activities	248,924	224,226
Other income from credit activities	406,572	409,543
	39,509,087	34,669,088

17. Interest and similar expenses

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Interest expenses on deposits	14,533,644	13,014,299
Interest expenses on borrowings	43,255	44,482
Interest expenses on valuable papers issued	526,947	717,281
Other expenses on credit activities	18,974	22,884
	15,122,820	13,798,946

18. Net losses from trading securities

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Income from trading securities	4,347	23,486
Expenses for trading securities	(33,234)	(28,376)
Reversal of provision for the diminution on the value of trading securities	20,005	-
	(8,882)	(4,890)

19. Income from capital contributions and equity investments

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Dividends received from equity investments	27,730	9,423
	27,730	9,423

20. Operating expenses

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Tax, duties and fees	103,276	96,626
Salaries and related expenses	4,329,735	4,224,844
<i>Of which:</i>		
- <i>Salary and allowances</i>	3,943,259	3,859,638
- <i>Additional expenses based on salary</i>	358,379	355,073
- <i>Other allowances</i>	2,829	1,408
Expenses on assets	1,543,076	1,280,588
<i>Of which:</i>		
- <i>Depreciation of fixed assets</i>	632,475	585,059
Administrative expenses	3,741,959	3,380,700
Insurance expenses on deposits of customers	392,008	343,805
	10,110,054	9,326,563

21. Cash and cash equivalents

	30/6/2022 VND million	31/12/2021 VND million
Cash on hand, gold, silver and gemstones	15,035,073	17,930,467
Balances with the State Bank of Vietnam	28,613,194	22,310,992
Balances with and loans to other credit institutions with original term not exceeding 3 months	216,860,476	192,601,553
Securities with maturity or redemption term not exceeding 3 months from purchase date	18,808,500	-
	279,317,243	232,843,012

22. Significant transactions and balances with related parties

(a) Significant transactions with related parties

	Relationship	Six-month period ended 30/6/2022 VND million Income/(expense)	Six-month period ended 30/6/2021 VND million
The State Bank of Vietnam	Representative of owner		
Interest income from deposits		48,603	43,925
Interest expenses on deposits and borrowings		(29,490)	(39,119)
The Ministry of Finance	Related party of owner		
Interest expenses on deposits		(325,953)	(102,593)
Interest expenses on borrowings		(6,500)	(9,819)
Vietcombank Finance Leasing Company Limited	Subsidiary		
Interest income from loans granted		39,073	36,274
Interest expenses on deposits		(4,555)	(1,659)
Income from fee and commission		1,386	1,268
Vietcombank Securities Company Limited	Subsidiary		
Interest expenses on deposits		(44)	(26)
Fee and commission income		4,906	3,069
Vietcombank Tower 198 Ltd.	Subsidiary		
Interest expenses on deposits		(1,578)	(2,031)
Office rental expenses		(54,116)	(53,171)
Vietnam Finance Company Limited in Hong Kong	Subsidiary		
Interest income from deposits		2,725	278
Vietcombank Money Inc.			
Expenses for services		(6,137)	(2,211)
Vietcombank Remittance Company Limited	Subsidiary		
Interest expenses on deposits		(18,182)	(1,909)

22. Significant transactions and balances with related parties (continued)

(b) Significant balances with related parties

	Relationship	30/6/2022 VND million	31/12/2021 VND million
		Receivable/(payable)	
The State Bank of Vietnam	Representative		
Deposits at the SBV	of owner	28,613,194	22,310,992
Deposits and borrowings from the SBV		(1,944,785)	(1,773,842)
The Ministry of Finance			
Deposits at the Bank	Related party	(59,075,763)	(7,694,274)
Borrowings from the MoF	of owner	(758,804)	(806,617)
Mizuho Bank Ltd., Japan	Foreign		
Deposits at Mizuho Bank Ltd., Japan	strategic	9,614,880	1,910,189
Deposits from Mizuho Bank Ltd., Japan	partner	3,085,024	(694,909)
Vietcombank Finance Leasing Company Limited ("VCBL")	Subsidiary		
Loans to VCBL		3,656,350	3,365,930
VCBL's deposits at the Bank		(989,841)	(862,558)
Vietcombank Securities Company Limited	Subsidiary		
Deposits at the Bank		(103,522)	(229,764)
Capital-increasing bonds issued by the Bank		(47,027)	(26,232)
Vietcombank Tower 198 Ltd.	Subsidiary		
Deposits at the Bank		(224,371)	(234,932)
Office rental fee paid in advance		(18,039)	(72,155)
Vietnam Finance Company Limited in Hong Kong	Subsidiary		
Deposits of the Bank		1,235,499	2,226,019
Vietcombank Money Inc.	Subsidiary		
Deposits at the Bank		(92)	(895)
Advance for payment to TNMonex		131,864	168,771
Vietcombank Remittance Company Limited	Subsidiary		
Deposits at the Bank		(538,265)	(1,491,251)
Payables to the Bank		348,315	1,319,935
Vietcombank Laos Limited	Subsidiary		
Deposits at the Bank		(56,014)	(55,508)

23. Segment reporting

Six-month period ended 30 June 2022

	The North (*)	The Middle and Central Highland	The South	Elimination	Total
	VND million	VND million	VND million	VND million	VND million
1 Interest and similar income	49,871,092	9,253,805	26,944,233	(46,560,043)	39,509,087
2 Interest and similar expenses	(40,187,039)	(5,551,281)	(15,944,543)	46,560,043	(15,122,820)
I Net interest income	9,684,053	3,702,524	10,999,690	-	24,386,267
3 Fee and commission income	3,718,843	386,547	1,517,604	(223,259)	5,399,735
4 Fee and commission expenses	(2,384,985)	(16,807)	(40,075)	223,259	(2,218,608)
II Net fee and commission income	1,333,858	369,740	1,477,529	-	3,181,127
III Net gain from trading of foreign currencies	1,968,849	116,133	906,881	-	2,991,863
IV Net loss from trading securities	(8,882)	-	-	-	(8,882)
V Net gain from investment securities	86,287	-	-	-	86,287
5 Other income	421,563	396,489	743,014	-	1,561,066
6 Other expenses	(154,605)	(4,972)	(36,962)	-	(196,539)
VI Net other income	266,958	391,517	706,052	-	1,364,527
VII Income from capital contributions and equity investments	27,730	-	-	-	27,730
Total operating income	13,358,853	4,579,914	14,090,152	-	32,028,919
VIII Total operating expenses	(7,213,398)	(781,972)	(2,114,684)	-	(10,110,054)
IX Net operating profit before provision for credit losses	6,145,455	3,797,942	11,975,468	-	21,918,865
X Provision for credit losses	(5,000,408)	-	-	-	(5,000,408)
XI Profit before tax	2,456,048	4,433,081	10,029,328	-	16,918,457
7 Current corporate income tax expenses	(575,036)	(648,873)	(2,154,236)	-	(3,378,145)
XII Corporate income tax expenses	(575,036)	(648,873)	(2,154,236)	-	(3,378,145)
XIII Profit after tax	2,327,873	2,595,493	8,616,946	-	13,540,312

(*) As at 30 June 2022, the Head Office, located in the North, incurred some operating expenses for the whole system which were not allocated to other components within the Bank. The main business activity of the Bank is provision of finance/banking services.

24. Disclosure of financial instruments

(a) Collateral disclosure

The Bank does not hold collaterals which it is permitted to sell or re-pledge in the absence of default by the owner of the collaterals.

(b) Fair value disclosure

Circular 210 requires the Bank to disclose the measurement method and related information of fair value of financial assets and financial liabilities for the purpose of comparing their carrying values and fair values.

The following table presents carrying value and fair value of the Bank's financial assets and liabilities as at 30 June 2022:

24. Disclosure of financial instruments (continued)

(b) Fair value disclosures (continued)

As at 30 June 2022

As at 30 June 2022		Carrying amount - gross					Fair value VND million	
		Held for trading VND million	Held to maturity VND million	Loans and receivables VND million	Available for sale VND million	Recognised at amortised cost VND million		Total of carrying value VND million
Financial assets								
I	Cash on hand, gold, silver and gemstones	-	-	15,035,073	-	-	15,035,073	15,035,073
II	Balances with the SBV	-	-	28,613,194	-	-	28,613,194	28,613,194
III	Balances with and loans to other CIs	-	-	257,703,399	-	-	257,703,399	(*)
IV	Trading securities	1,315,167	-	-	-	-	1,315,167	(*)
VI	Loans to customers	-	-	1,091,265,847	-	-	1,091,265,847	(*)
VIII	Investment securities	-	90,293,045	-	101,095,262	-	191,388,307	(*)
IX	Capital contributions, long-term investments	-	-	-	1,659,597	-	1,659,597	(*)
XII	Other financial assets	-	-	23,044,417	-	-	23,044,417	(*)
		1,315,167	90,293,045	1,415,661,930	102,754,859	-	1,610,025,001	
Financial liabilities								
I	Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	-	-	229,580,331	229,580,331	(*)
II	Deposits from customers	-	-	-	-	1,195,549,727	1,195,549,727	(*)
III	Derivative and other financial liabilities	19,457	-	-	-	-	19,457	(*)
IV	Funds for finance, entrusted investments and entrusted loans	-	-	-	-	5,485	5,485	(*)
V	Valuable papers issued	-	-	-	-	14,414,060	14,414,060	(*)
VI	Other financial liabilities	-	-	-	-	20,847,750	20,847,750	(*)
		19,457	-	-	-	1,460,397,353	1,460,416,810	

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

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments

The Board of Directors has the highest rights and responsibilities for the Bank's financial risk management to facilitate its sustainable growth.

Having taken those 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 internal requirements for each period, and determines organisational structure and key personnel positions.

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

The Risk Management Committee was established by the Board of Directors to assist the Board of Directors in managing all risks that may arise from the Bank's day-to-day business operations.

The Asset and Liability Credit and Operational Risk Committee ("ALCO") was established and chaired by the Chief Executive Officer. ALCO members are key personnel of the Bank being in-charge of risk management.

ALCO is responsible for comprehensively monitoring and managing assets and liabilities in the consolidated and separate balance sheet of the Bank in order to maximise profit while minimising losses arising from negative market trends, manage liquidity risk and appropriately direct interest and foreign exchange rate schemes.

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

(i) Credit risk

The Bank 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 in investments in debt securities. Off-balance sheet financial instruments, such as loan commitments, also contain credit risk. The Bank 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.

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

In order to manage credit risks, the Bank has established policies and procedures relating to credit risk management; established credit manuals; performed credit risk assessment; set up internal credit rating systems and loan classification and decentralised authorisation in credit activities.

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments (continued)

(i) Credit risk (continued)

The Bank's maximum exposure amounts to credit risk as at 30 June 2022, excluding collaterals and credit risk mitigations as follows:

	Neither past due nor impaired VND million	Past due but not impaired VND million	Impaired and provision made VND million	Total VND million
Balances with and loans to other credit institutions – gross	256,703,399	-	1,000,000	257,703,399
Balances with other credit institutions	203,965,530	-	-	203,965,530
Loans to other credit institutions	52,737,869	-	1,000,000	53,737,869
Loans to customers – gross	1,057,037,707	17,773,912	16,454,228	1,091,265,847
Investment securities – gross	191,388,307	-	-	191,388,307
Available-for-sale securities	101,095,262	-	-	101,095,262
Held-to-maturity securities	90,293,045	-	-	90,293,045
Other assets	23,044,417	-	-	23,044,417
	1,528,173,830	17,773,912	17,454,228	1,563,401,970

Types and carrying value of collaterals held by the Bank at the end of the accounting period are described as follows:

	30/6/2022 VND million	31/12/2021 VND million
Deposits	156,918,111	138,675,691
Valuable papers	67,313,870	63,004,723
Real estate	1,328,371,028	1,162,010,080
Other collaterals	277,127,088	267,480,790
	1,829,730,097	1,631,171,284

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments (continued)

(ii) Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will unexpectedly fluctuate due to changes in market interest rates.

The actual interest re-pricing term is the remaining term starting from the end of accounting period to the nearest interest re-pricing date of the items in the interim separate balance sheet.

The following assumptions and conditions have been adopted in the analysis of actual interest re-pricing term of asset and liabilities items in the interim separate balance sheet of the Bank:

- Cash, gold, silver and gemstones, capital contributions, long-term investments, and other assets (including fixed assets and other assets) are classified as free of interest items;
- Trading securities being debt securities are classified as “Up to 1 month” items;
- 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 term of balances with and loans to other credit institutions, loans to customers, amounts due to the Government and the SBV, deposits and borrowings from other credit institutions, deposits from customers, funds for finance, entrusted investments and entrusted loans 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 the Bank’s interest rate for each issuance.

The following table presents the interest rate re-pricing terms of the Bank’s assets and liabilities as at 30 June 2022:

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments (continued)

(ii) Interest rate risk (continued)

	Overdue	Free of interest	Up to 1 month	From 1 to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Assets									
I Cash on hand, gold, silver and gemstones	-	15,035,073	-	-	-	-	-	-	15,035,073
II Balances with the SBV	-	-	28,613,194	-	-	-	-	-	28,613,194
III Balances with and loans to other credit institutions – gross	-	-	185,863,505	37,078,462	11,593,532	23,167,900	-	-	257,703,399
IV Trading securities – gross	-	-	1,315,167	-	-	-	-	-	1,315,167
VI Loans to customers – gross	24,658,999	-	186,551,226	311,662,916	326,288,456	143,284,664	97,063,214	1,756,372	1,091,265,847
VII Investment securities – gross	-	-	20,958,485	4,442,500	13,902,000	18,885,720	102,608,415	30,591,187	191,388,307
VIII Capital contributions, long-term investments – gross	-	5,776,822	-	-	-	-	-	-	5,776,822
IX Fixed assets	-	7,883,319	-	-	-	-	-	-	7,883,319
X Other assets – gross	-	29,335,663	-	-	-	-	-	-	29,335,663
Total assets	24,658,999	58,030,877	423,301,577	353,183,878	351,783,988	185,338,284	199,671,629	32,347,559	1,628,316,791
Liabilities									
I Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	159,471,040	64,506,800	4,411,137	1,191,354	-	-	229,580,331
II Deposits from customers	-	-	640,518,992	147,487,963	171,024,650	230,334,658	6,183,464	-	1,195,549,727
III Derivatives and other financial liabilities	-	19,457	-	-	-	-	-	-	19,457
IV Funds for finance, entrusted investments and entrusted loans	-	-	-	-	-	2,946	2,539	-	5,485
V Valuable papers issued	-	-	905	2,900,000	3,031,750	3,117,000	-	5,364,405	14,414,060
VI Other liabilities	-	33,074,879	689,892	-	-	-	-	-	33,764,771
Total liabilities	-	33,094,336	800,680,829	214,894,763	178,467,537	234,645,958	6,186,003	5,364,405	1,473,333,831
Interest sensitivity gap – on statement of financial position	24,658,999	24,936,541	(377,379,252)	138,289,115	173,316,451	(49,307,674)	193,485,626	26,983,154	154,982,960
Accumulated interest sensitivity gap	24,658,999	49,595,540	(327,783,712)	(189,494,597)	(16,178,146)	(65,485,820)	127,999,806	154,982,960	

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments (continued)

(iii) 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 the Bank transacts is VND. The Bank's loans to customers are mainly denominated in VND and USD. Some of the Bank's other assets and other liabilities are in currencies other than VND and USD. The Bank 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.

The followings are the major exchange rates applied by the Bank at the end of the accounting period:

	Exchange rate as at	
	30/6/2022	31/12/2021
USD/VND	23,275	22,780
EUR/VND	24,488	25,969

The following table presents the Bank's assets and liabilities denominated in foreign currencies that were translated into VND as at 30 June 2022:

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments (continued)

(iii) Currency risk (continued)

	EUR	USD	Other currencies	Total
	VND million	VND million	VND million	VND million
Assets				
I Cash on hand, gold, silver and gemstones	439,111	2,227,791	373,446	3,040,348
II Balances with the SBV	-	9,896,365	-	9,896,365
III Balances with and loans to other credit institutions – gross	5,650,822	38,784,199	25,277,559	69,712,580
IV Derivatives and other financial assets	-	-	2,809	2,809
VI Loans to customers – gross	1,966,273	124,649,834	-	126,616,107
VII Investment securities – gross	-	23,275,000	-	23,275,000
X Other assets – gross	82,755	1,394,303	172,424	1,649,482
Total assets	8,138,961	200,227,492	25,826,238	234,192,691
Liabilities				
I Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	3,323,912	45,190,740	22,691,331	71,205,983
II Deposits from customers	4,586,104	150,138,529	2,829,351	157,553,984
III Derivatives and other financial liabilities	9,581	745,433	-	755,014
V Valuable papers issued	-	45	-	45
VI Other liabilities	99	-	135,547	135,646
Total liabilities	7,919,696	196,074,747	25,656,229	229,650,672
Currency position on statement of financial position	219,265	4,152,745	170,009	4,542,019

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments (continued)

(iv) Liquidity risk

Liquidity risk occurs when the Bank fails to fulfil its financial commitments with customers or counterparties due to unavailability of funds or liquidity.

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 the Bank's assets and liabilities maturity analysis in the interim separate balance sheet:

- Balances with the State Bank of Vietnam are considered as current accounts with maturity of less than one month, including the compulsory deposits;
- The maturity of trading securities is considered to have maturity of less than one month because they are held in the short term for profit taking due to price differences;
- The maturity of investment securities is based on maturity dates of each securities established by the issuers of these financial instruments;
- The maturities of balances with and loans to other credit institutions and loans to customers are based on the contractual maturity date. The actual maturity may vary from the original contractual term when the loan/deposit contract is extended;
- The maturity of capital contributions, equity investments is considered to be over five years as equity investments have no stated maturity; and
- Deposits and borrowings from other credit institutions, deposits from customers, funds for finance, entrusted investments and entrusted loans and valuable papers issued are determined based on either the nature of the loans, deposits and valuable papers issued or their contractual maturities. For example, current accounts of other credit institutions at the Bank and current accounts of the Bank at other credit institutions paid upon customers' demand are considered to be demand deposits, 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 as at 30 June 2022:

24. Disclosure of financial instruments (continued)

(c) Risk management policies for financial instruments (continued)

(iv) Liquidity risk (continued)

		Overdue		Not overdue					Total
		Over 3 months	Up to 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	Over 5 years	
		VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Assets									
I	Cash on hand, gold, silver and gemstones	-	-	15,035,073	-	-	-	-	15,035,073
II	Balances with the SBV	-	-	28,613,194	-	-	-	-	28,613,194
III	Balances with and loans to other credit institutions – gross	-	-	185,863,505	37,078,461	34,248,945	512,488	-	257,703,399
IV	Trading securities – gross	-	-	1,315,167	-	-	-	-	1,315,167
VI	Loans to customers – gross	5,293,766	19,365,233	74,328,797	200,838,457	364,901,184	161,605,380	264,933,030	1,091,265,847
VII	Investment securities – gross	-	-	22,858,485	6,472,000	40,962,719	81,101,415	39,993,688	191,388,307
VIII	Capital contributions, long-term investments – gross	-	-	-	-	-	-	5,776,822	5,776,822
IX	Fixed assets	-	-	-	-	-	-	7,883,319	7,883,319
X	Other assets – gross	-	-	-	29,335,663	-	-	-	29,335,663
Total assets		5,293,766	19,365,233	328,014,221	273,724,581	440,112,848	243,219,283	318,586,859	1,628,316,791
Liabilities									
I	Amounts due to the Government and the SBV and deposits and borrowings from other credit institutions	-	-	162,939,978	60,779,091	4,318,083	725,489	817,690	229,580,331
II	Deposits from customers	-	-	265,835,008	161,595,587	416,039,353	29,372,602	322,707,177	1,195,549,727
III	Derivatives and other financial liabilities	-	-	-	19,457	-	-	-	19,457
IV	Funds for finance, entrusted investments and entrusted loans	-	-	-	-	5,157	328	-	5,485
V	Valuable papers issued	-	-	905	-	3,000,000	2,788,750	8,624,405	14,414,060
VI	Other liabilities	-	-	194,930	25,822,166	6,556,954	-	1,190,721	33,764,771
Total liabilities		-	-	428,970,821	248,216,301	429,919,547	32,887,169	333,339,993	1,473,333,831
Net liquidity gap		5,293,766	19,365,233	(100,956,600)	25,508,280	10,193,301	210,332,114	(14,753,134)	154,982,960

25. Event after the reporting date

Up to the issuing date of the interim separate financial statements, there are no significant events occurring subsequent to 30 June 2022 that may significantly affect the interim separate financial position of the Bank and require adjustments or disclosures to be made in the interim separate financial statements for the six-month period ended 30 June 2022.

26. Seasonal or cyclical factors

The Bank's operation results are not affected by seasonal or cyclical factors except for the following item:

Tax

The Bank's corporate income tax is calculated and settled independently at the end of the year in accordance with current tax regulations. Income tax expense for the period is calculated based on taxable income at a tax rate of 20%.

Appropriation of reserves

The appropriation of the statutory reserves presented in Note 2(r)(iv) and bonus and welfare fund will be made at the end of the annual accounting period.

27. Corresponding figures due to changes in accounting policy

In accordance with Circular No. 27, the Bank added and restated a number of items to ensure comparability at 31 December 2021 as follows:

Off-balance sheet items:

	31/12/2021 VND million (Restated according to Circular 27)	31/12/2021 VND million (Presented)	Reasons
Off-balance sheet items:			
Uncollected interest and fee receivables	911,618	Not presented	Presented
Bad debt written-off	55,195,565	Not presented	according to
Other assets and receipts	351,544,901	Not presented	Circular 27

28. Changes in accounting estimates

There is no significant change in accounting estimates made by the Bank in preparing and presenting these interim separate financial statements compared to those made in the most recent separate annual financial statements.

29. Changes in the structure of the Bank

There is no significant change in the structure of the Bank for the six-month period ended 30 June 2022 compared with those made in the most recent separate annual financial statements.

30. Approval of the interim separate financial statements

The interim separate financial statements were approved by the Board of Management of the Bank on 15 August 2022.

Hanoi, 15 August 2022


Prepared by:


Approved by:


Ms. Nguyen Thi Thu Huong

Mr. Le Hoang Tung

Ms. Phung Nguyen Hai Yen


Deputy Director of
Financial and Accounting
Policy Department


Chief Accountant


Deputy CEO

