

Sacombank

STEADFAST *accompany*

Prestige **BRIGHTEN**

2024

ANNUAL REPORT

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Sacombank's
2024 Annual Report



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EDITORIAL BOARD

Chief Editor Ms. NGUYEN DUC THACH DIEM
Standing Vice Chairwoman cum CEO

Deputy Editor Mr. HA VAN TRUNG
Deputy CEO

- Members**
- Mr. LUU QUANG HUYNH
Acting Deputy Director of
Financial Management Center
 - Mr. DO DUC HUNG
Acting Deputy Director of
Risk Management Center
 - Mr. BUI ANH TU
Director of Financial Institutions Department
 - Mr. DOAN HOANG NAM
Director of PR and
Branding Development Center

Secretary Ms. VU THI THUY HANG
Senior Executive,
PR and Branding Development Center



STEADFAST *accompany* Prestige BRIGHTEN

Sacombank's growth momentum in 2024 remained positive, with remarkable highlights that we are proud of, as the Bank advanced steadily toward completing its restructuring goals. Sacombank fully embraced every opportunity, transforming them into powerful catalysts for breakthroughs and reaching its planned targets.

Building on this momentum, Sacombank enters 2025 with the guiding theme "**Steadfast Accompany - Prestige Brighten**" reaffirming its unwavering commitment to continuous progress. This theme reflects a deep belief in a brilliant future, one that honors the relentless efforts of a resilient and forward-moving team.

The central imagery woven into Sacombank's 2024 Annual Report is the lotus flower, a symbol of purity, resilience, and the pursuit of noble aspirations. Beneath its graceful form lies the enduring spirit of the Vietnamese people, characterized by unwavering willpower, perseverance, and the courage to overcome any challenge. This embodies the essence of Sacombank's vision to inspire progress, scale new heights, and foster sustainable partnerships with valued customers, partners, investors, and shareholders.

Editorial Board of the 2024 Annual Report

CHAIRMAN'S MESSAGE

To Our Esteemed Shareholders, Partners, Customers, and Employees,

In 2024, the global economy navigated a complex landscape, marked by price volatility and geopolitical tensions. Despite these challenges, major economies such as the United States and Europe showed signs of stabilization, supported by prudent monetary policies and the resurgence of key industries. Amid this environment, Vietnam's economy thrived, with impressive GDP growth, well-controlled inflation, surging foreign direct investment (FDI), and deeper international integration. For Sacombank, 2024 marked a pivotal year in our journey toward sustainable development, further cementing our position in Vietnam's financial and banking sector. Notably, we successfully advanced our strategic vision: **"Accelerating activities - Enhancing efficiency through digital transformation"**.

As innovation and restructuring gained momentum across industries, particularly in banking, Sacombank stood out as a model of **SELF-DRIVEN RESTRUCTURING**, leveraging inherent strengths. Through unwavering commitment, we enhanced business resilience, resolved a substantial portion of legacy debts, met all financial obligations, and optimized our organizational structure. These efforts not only demonstrated the effectiveness of our restructuring strategy but also contributed to the stability and growth of the broader financial sector.

COMPREHENSIVE DIGITAL TRANSFORMATION remained a top priority, with significant investments channelled toward innovation and accelerated growth in the digital era. This initiative aligns with the Vietnamese Government's National Strategy for Digital Economy and Society Development through 2025, with a long-term vision extending to 2030.

In 2025, we confidently set our sights on higher ambitions, aligned with the direction of "Transformation Efficiency Sustainability", driven by determination, unity, and an unwavering responsibility

Indeed, 2024 was a year of **ROBUST BUSINESS GROWTH** for Sacombank, with pre-tax profits exceeding targets set by the Annual General Meeting of Shareholders. Beyond revenue growth, we placed a strong emphasis on cost optimization, process efficiency, talent development, technological advancements, and superior customer service. These achievements are a testament to Sacombank's strategic resilience, balancing a steadfast commitment to goals with agile adaptation to market dynamics. As a result, we have fortified our financial capacity, establishing a strong foundation for future growth.

COMPREHENSIVE DIGITAL TRANSFORMATION remained a top priority, with significant investments channelled toward innovation and accelerated growth in the digital era. This initiative aligns with the Vietnamese Government's National Strategy for Digital Economy and Society Development through 2025, with a long-term vision extending to 2030. In addition to integrating cutting-edge technologies to enhance infrastructure, automate processes, and strengthen governance, we continuously refined and expanded our digital financial ecosystem to ensure a seamless experience for our customers.

In parallel with digitalization, **RISK MANAGEMENT CAPACITY AND RISK GOVERNANCE CULTURE** were enhanced, ensuring system stability, continuity, and long-term sustainability. By advancing the implementation of Basel III standards, the Bank maintained all operational safety ratios within the regulatory framework set by the State Bank of Vietnam, despite ongoing restructuring challenges.

As a responsible corporate citizen, Sacombank has actively integrated **GLOBAL ESG STANDARDS** (Environmental - Social - Governance) into our operations. Our commitment to sustainability extends beyond the Bank's future to the long-term prosperity of society and the nation.

While we take pride in our achievements, we acknowledge that certain areas, particularly in relation to dividend expectations, have not yet fully aligned with the aspirations of our esteemed Shareholders and Investors. We deeply appreciate your trust and unwavering support, and we remain committed to enhancing governance, improving asset quality, strengthening financial efficiency, and bolstering our competitive edge. These efforts are focused on securing regulatory approvals for the plans we have submitted. Restoring Sacombank to its rightful position and maximizing value for all stakeholders remain our top priority.

Looking toward the opportunities and challenges in 2025, we confidently set our sights on higher ambitions, aligned with the direction of **"Transformation - Efficiency - Sustainability"**, driven by determination, unity, and an unwavering responsibility. Our key priorities include optimizing our scale and operational performance to expand our customer base and enhance customer satisfaction. Simultaneously, we aim to make breakthroughs in technology, streamline operations, and elevate governance to international standards. These efforts are focused on successfully completing the Restructuring Plan, marking a historic turning point in Sacombank's development.

On behalf of the Sacombank's Board of Directors, I sincerely express my gratitude for the steadfast support of our Shareholders, Investors, and Partners; the trust of our 19 million Customers; and the dedication of our leadership and employees, all of whom contribute to a mature, resilient, and responsible Sacombank.

We wishing you health, happiness, and prosperity!

Sincerely,
On behalf of the Board of Directors
Chairman
DUONG CONG MINH

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OVERVIEW

STB

- ♦ **Vietnamese name:**
Ngân hàng Thương mại Cổ phần Sài Gòn Thương Tín
- ♦ **English name:**
Saigon Thuong Tin Commercial Joint Stock Bank
- ♦ **Trade name:** Sacombank
- ♦ **SWIFT code:** SGTTVNVX
- ♦ **Head Office:** 266-268 Nam Ky Khoi Nghia Street, Vo Thi Sau Ward, District 3, HCMC
- ♦ **Tel:** (028) 38 469 516
- ♦ **Hotline:** 1800 5858 88
- ♦ **Email:** ask@sacombank.com
- ♦ **Website:** www.sacombank.com.vn
- ♦ **Listing information:**
Stock code: STB
Listed at: Ho Chi Minh Stock Exchange (HOSE)
- ♦ **Charter Capital (as of 31 December 2024):**
VND 18,852,157,160,000
- ♦ **Owner's Equity (as of 31 December 2024):**
VND 54,972,069,954,063
- ♦ **Banking License:** No. 111/ GP-NHNN issued by the State Bank of Vietnam on 09 November 2018 (replacing Banking License No. 006/NH-GP dated 5 December 1991).
- ♦ **Business Registration Certificate:**
Business Code: 0301103908
Registered on: 13 January 1992
Edition: 41st edition on 26 December 2022

BANKING OPERATIONS



VISION, MISSION, CORE VALUES



VISION

To be the **leading bank** in Vietnam's retail banking services.



MISSION

- ♦ Providing best-in-class, comprehensive financial solutions for **customers**.
- ♦ Maximizing long-term value for **partners, investors, and shareholders**.
- ♦ Increasing prosperity and professional values for all **employees**.
- ♦ Contributing to the development of **society and community**.



CORE VALUES

- ♦ **Pioneering** and paving the way to continue success.
- ♦ Actively **innovating** for sustainable development.
- ♦ Making a **difference** with innovative breakthroughs in business and governance.
- ♦ Upholding **quality** as a guiding principle in customer service and partner relations.
- ♦ Constantly appreciating our **responsibility** to the community and society.

33-YEAR JOURNEY

ASPIRATION

Sacombank was one of the first commercial joint-stock banks established in Ho Chi Minh City.

BREAKTHROUGH

The first commercial joint-stock bank based in Ho Chi Minh City to open a branch in Hanoi.

PROMINENCE

The first bank to issue public shares to increase charter capital.

VISION

The first bank to establish a credit group in areas without a Sacombank branch, bringing financial resources to rural regions and setting the foundation for its future retail banking development strategy.

LOVE SPREADING

Launched annual community-oriented programs infused with Sacombank's unique cultural identity.

PIONEER

The first commercial joint-stock bank listed on the Ho Chi Minh City Stock Exchange.



1991

1993

1996



1997

2004 - NOW

2006



BREAKTHROUGH THINKING - VALUE ENHANCEMENT

Asserted its return to the race by implementing leading digital solutions into business operations and management, aiming to build a digital banking ecosystem.

CONSOLIDATING AND ACCELERATING

Sacombank consolidated and accelerated the comprehensive development of all activities, achieving most targets specified in the Restructuring Plan on time. Simultaneously, the bank promoted the spirit of solidarity, youthfulness, and determination to innovate both within Sacombank and in the community, projecting an image of a young and dynamic Sacombank.

ENHANCING INTERNAL STRENGTH - IMPROVING CUSTOMER EXPERIENCE

Marked Sacombank's strong comeback with stable growth, modernization of products and services, and improvement in labor productivity.

CHALLENGES

This year marked the beginning of the Restructuring Plan, approved by the State Bank of Vietnam, focused on accountability, efficiency, and collaboration.

SYNERGY

The merger with Southern Bank positioned Sacombank among the five largest banks in Vietnam.

PERSISTENCE

The branch network extended across the Southwest, Southeast, South Central, Central Highlands, and North Central regions of Vietnam, as well as Indochina.

2019

2018



2017

2015

2007 - NOW

2020

STAY RESILIENT AND MOVE FORWARD

With a solid and mature stature, Sacombank was ready to conquer new heights and embark on greater achievements.

STEADY AND SPREADING

Enhanced financial strength, achieved the critical goal of the Restructuring Plan, and fostered innovative thinking while refining solutions.

SPREADING ENERGY

Accelerated digital transformation and built a resilient business ecosystem, strengthening internal capabilities to become the model of a successful restructured bank.

INNER RESILIENCE - FUTURE ASSURANCE

Focused on internal strength, transformation, and breakthroughs on Vietnam's digital banking map.

STEADFAST ACCOMPANY PRESTIGE BRIGHTEN

As the restructuring journey nears completion, a new era of sustainable growth unfolds, filled with opportunities, challenges, and responsibilities.

2021

2022

2023



2024

2025

OUTSTANDING ACHIEVEMENTS IN 2024

VND **12,720** billion
Profit Before Tax

Successfully achieved most of the targets set by the Shareholders' Committee, with consolidated profit before tax reaching 120% of the plan. Profitability ratios improved notably (ROA up by 0.2%, ROE up by 1.73%).

10.14%
CAR

Operational safety ratios complied with regulatory requirements and continued to strengthen. The consolidated Capital Adequacy Ratio (CAR) reached 10.14%, an increase of 1.03%. The on-balance-sheet non-performing loan (NPL) ratio was controlled at 2.08%.

VND **10,000** billion
Bad Debt and Legacy Asset Recovery

Recovered and resolved nearly VND 10,000 billion in bad debts and legacy assets. Fully provisioned for all remaining unresolved legacy debt portfolios. Fulfilled all financial obligations under the Restructuring Plan, and allocated adequate reserves to proactively address outstanding issues and optimize debt recovery efficiency.

IFRS9

Continued to enhance risk management capabilities in line with international best practices. Completed financial reporting under IFRS9 standards and developed methodologies for the fraud prevention project, ensuring safe and seamless banking operations.

5
Digital Transformation Projects

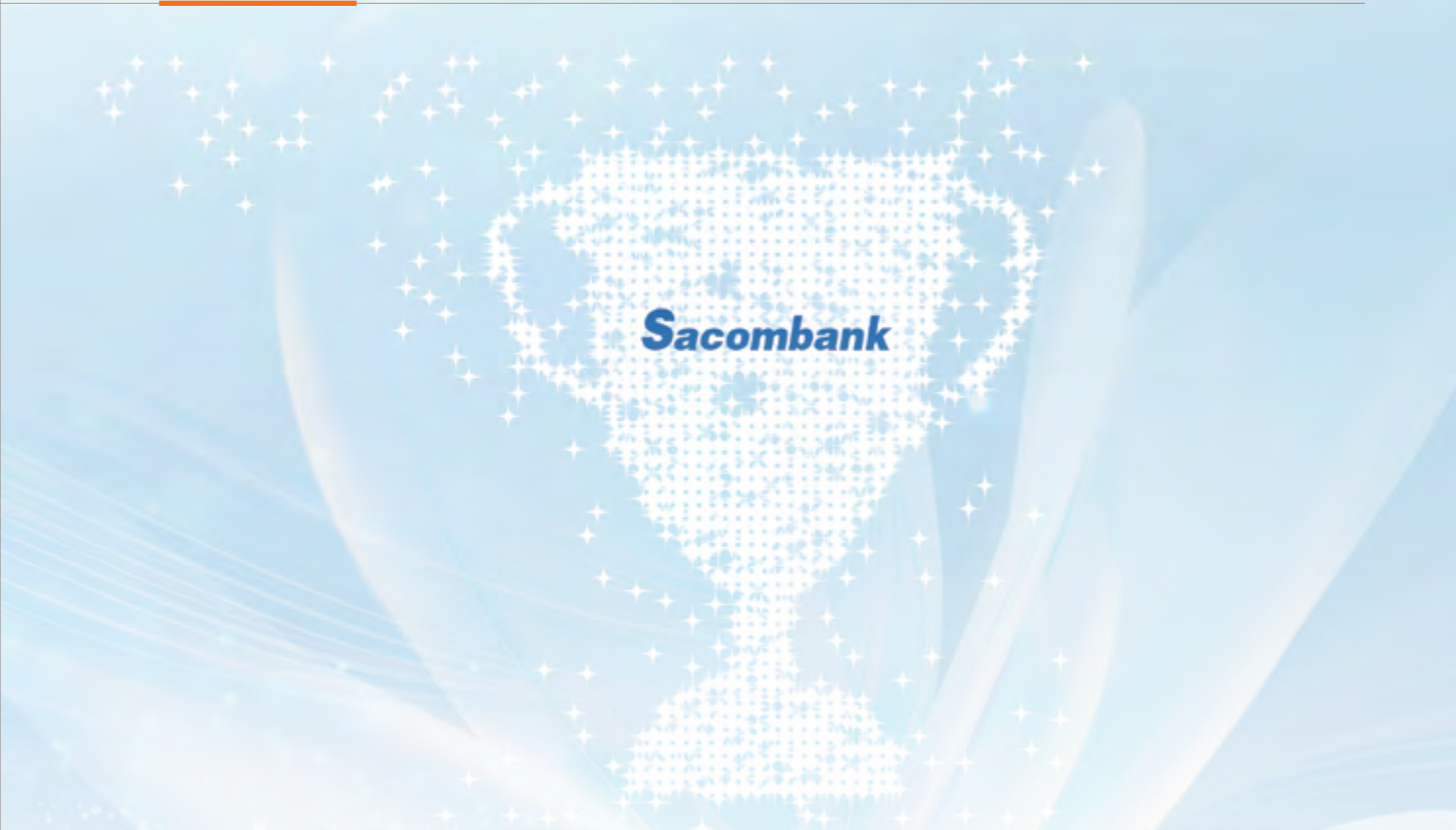
Completed key digital transformation initiatives, including the Automated Fee Calculation System, Process Digitalization, and Centralized FaceID Authentication. Successfully implemented the Retail Loan Origination System (Retail LOS) and other foundational technology projects on schedule.

5
Outstanding Digital Products/Services/Features

Proactively introduced innovative digital products, features, and services to enhance customer engagement. Strengthened promotion and communication of offerings through various media channels and social platforms.

5
International Financial Institution Partners

Re-established and developed relationships with leading international financial institutions.



Moody's

Long-term Rating: B2
Outlook: Stable

FitchRatings

Long-term Rating: BB-
Outlook: Stable

Restored brand reputation and credit ratings to pre-merger levels. Received an updated assessment from Fitch Ratings, enabling expanded partnerships with both domestic and international financial institutions.

19 Million
Customers

The customer base continued to grow, reaching 19 million. Customer engagement and satisfaction improved significantly, reflected in a Net Promoter Score (NPS) of 90% and a Customer Satisfaction Score (CSAT) of 99.4%.

Organizational Restructuring

Restructured the organizational framework to be streamlined, standardized, and professional. Completed the restructuring of the operational model and transitioned transaction models across 7 regions. Aggressively accelerated comprehensive network restructuring across the system to enhance efficiency and productivity.

KEY AWARDS & RECOGNITIONS IN 2024

In 2024, Sacombank was honored with 60 prestigious awards from government agencies as well as leading domestic and international organizations. These accolades recognized the Bank's outstanding achievements across various areas, including business performance, brand development, digital and green transformation, human resource management, and community contributions.

BRAND DEVELOPMENT ACHIEVEMENTS

Banking 500 2024

Banking 500 2024 Ranking (Rank 322)

Ranked by Brand Finance



Top 22 Most Valuable Vietnamese Brands

Ranked by Brand Finance



Top 10 ASEAN Typical Enterprises 2024

Voted by ISSME, BEC, VEDRI



HCMC Golden Brand Award 2024

Awarded by the People's Committee of Ho Chi Minh City



Top 50 Vietnam The Best (VNR500)

Voted by Vietnam Report



Vietnam Top 10 Banking Reputation Award

Voted by Vietnam Report



Top 50 Vietnam Best Profitable (PROFIT500)

Voted by Vietnam Report



Top 50 Corporate Sustainability Award 2024 (Leadership in Corporate Governance)

Voted by Nhip cau Dau tu Magazine

KEY AWARDS & RECOGNITIONS IN 2024 (continued)

RETAIL BANKING ACHIEVEMENTS



Most Innovative Retail Bank in Vietnam 2024

Voted by International Business Magazine



Vietnam's Best FX Bank

Voted by Euromoney



Outstanding Retail Banking Award 2024

Voted by IDG, VNBA



Outstanding Bank for Small and Medium Enterprises Award 2024

Voted by IDG, VNBA

DIGITAL TRANSFORMATION ACHIEVEMENTS



Most Innovative Retail Bank in Vietnam 2024

Voted by International Business Magazine



Asean Business Award 2024 (Digital Transformation Sector)

Voted by ASEAN BAC



Outstanding Digital Banking Award 2024

Voted by IDG, VNBA



Product of the Year 2024

Vote by VIR Newspaper

HUMAN RESOURCES ACHIEVEMENTS



Best Companies to Work for in Asia

Voted by HR Asia



Most Caring Company Awards

Voted by HR Asia

COMMUNITY ENGAGEMENT ACHIEVEMENTS



Certificate of Merit for Outstanding Achievement in Tax Contribution to the State Budget

Awarded by the People's Committee of Ho Chi Minh City



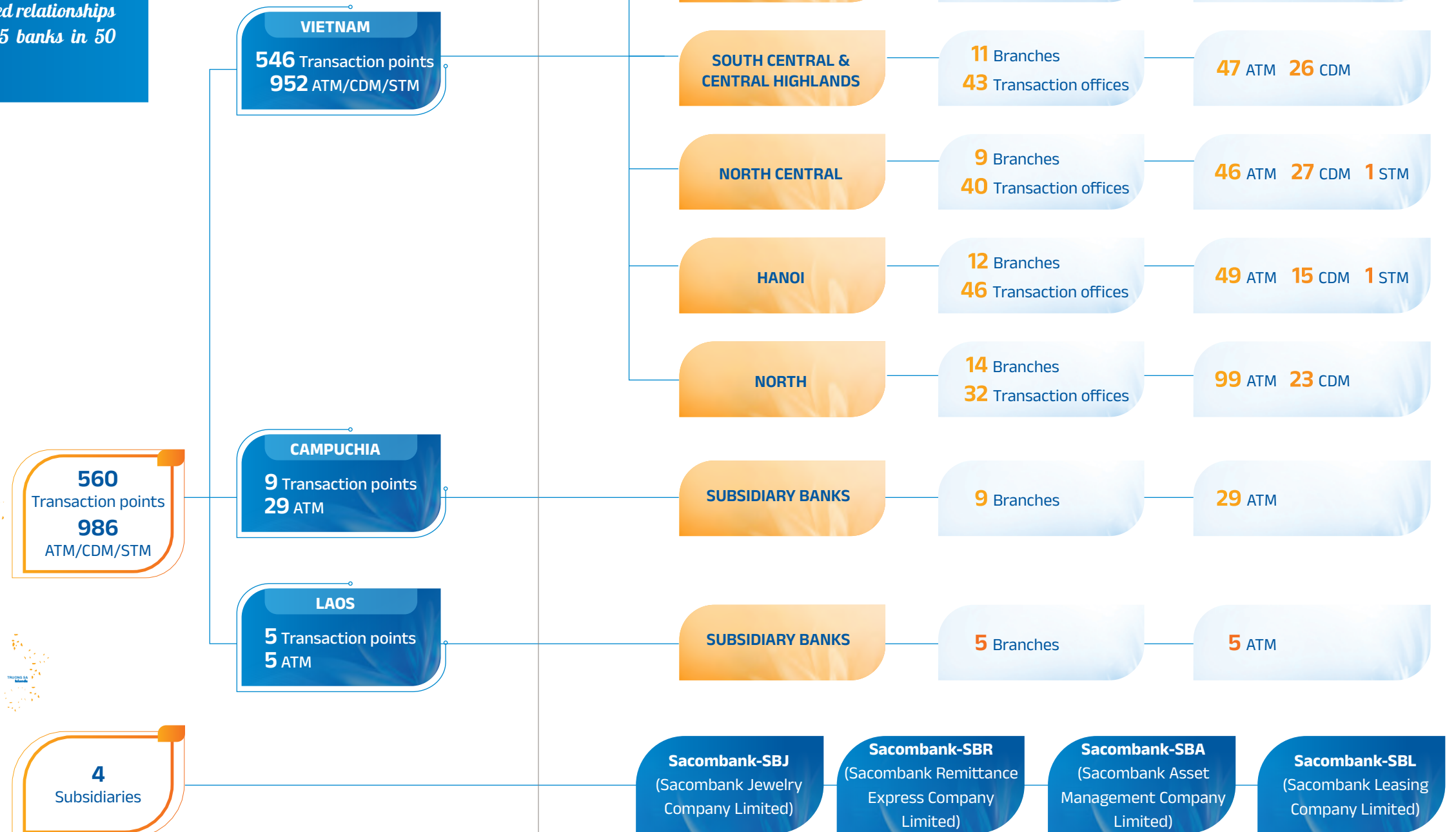
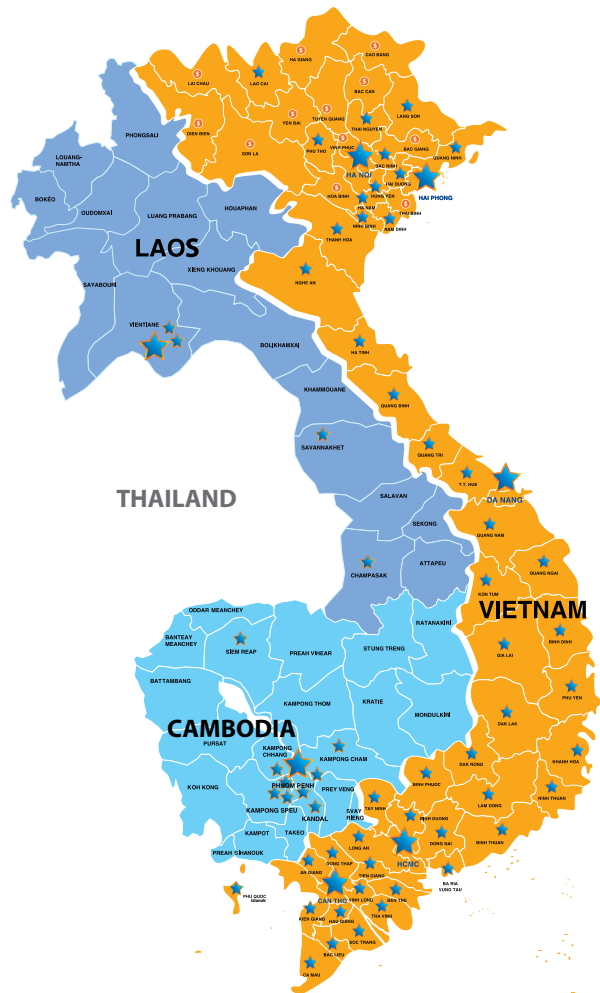
Green Business Award 2024

Voted by HUBA

BUSINESS NETWORK

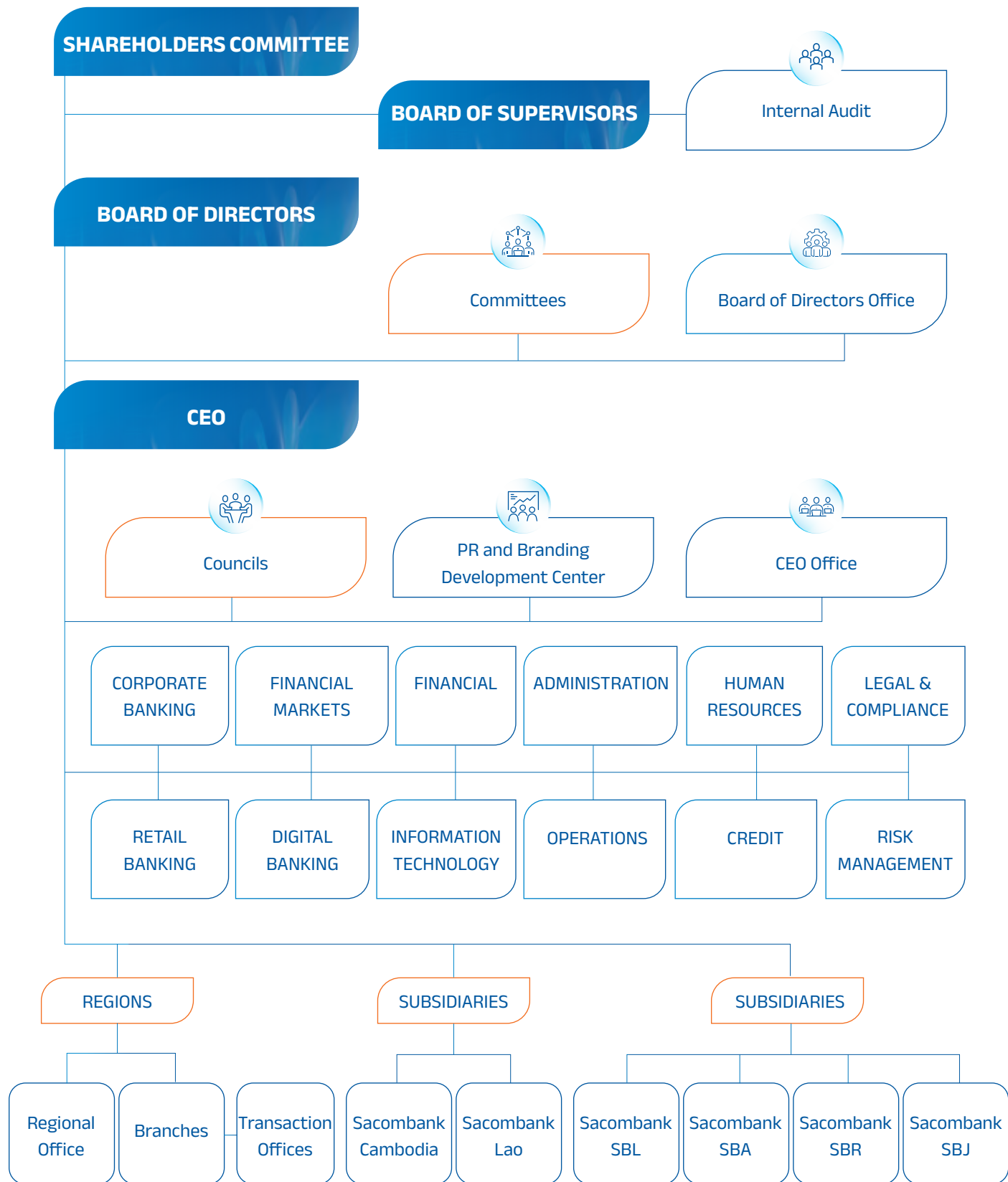
In 2024, Sacombank proactively restructured its operational network by reducing six transaction points compared to 2023, aligning with the Bank's digital transformation strategy to enhance productivity and operational efficiency.

As of the end of 2024, Sacombank operated 560 transaction points across 52 out of 63 provinces and cities in Vietnam, as well as in Laos and Cambodia, alongside four subsidiaries engaged in debt management and asset recovery, financial leasing, remittance services, and gold and jewelry trading. Sacombank also established and maintained relationships with 9,740 correspondent agents from 405 banks in 50 countries and territories worldwide.



ORGANIZATIONAL STRUCTURE

(Pursuant to Decision No. 29/2024/QĐ-VBLQ.HĐQT dated 27 August 2024, by the Board of Directors)



ORIENTATION AND VISION TO 2030



LEADERSHIP TEAM

BOARD OF DIRECTORS

**Mr. DUONG CONG MINH**

Chairman

- 39 years of experience in Economics, Finance, and Banking
- Bachelor of Economics
- Joined the Board of Directors on 30 June 2017

**Ms. NGUYEN DUC THACH DIEM**

Standing Vice Chairwoman cum CEO

- 25 years of experience in Economics, Finance, and Banking
- Doctor of Finance and Banking
- Joined the Board of Directors on 20 April 2018

**Mr. PHAM VAN PHONG**

Vice Chairman

- 44 years of experience in Economics, Finance, and Banking
- Master of Business Administration, Bachelor of Politics
- Joined the Board of Directors on 30 June 2017

**Mr. PHAN DINH TUE**

Member of Board of Directors

- 41 years of experience in Economics, Finance, and Banking
- Master of Business Administration
- Joined the Board of Directors on 22 April 2022

**Mr. NGUYEN XUAN VU**

Member of Board of Directors

- 18 years of experience in Economics, Finance, and Banking
- Master of Finance and Banking
- Joined the Board of Directors on 30 June 2017

**Mr. VUONG CONG DUC**

Independent Member of Board of Directors

- 29 years of experience in Economics, Finance, and Banking
- Bachelor of Laws
- Joined the Board of Directors on 22 April 2022

**Ms. PHAM THI THU HANG**

Independent Member of Board of Directors

- 31 years of experience in Economics, Finance, Banking, and Business Development
- Doctor of Economics
- Joined the Board of Directors on 22 April 2022

BOARD OF SUPERVISORS

**Mr. TRAN MINH TRIET**

Chief Supervisor

- 23 years of experience in Economics, Finance, and Banking
- Master of Business Administration, Bachelor of Economics
- Joined the Board of Supervisors on 30 June 2017

**Ms. HA QUYNH ANH**

Member of Board of Supervisors

- 32 years of experience in Economics, Finance, and Banking
- Bachelor of Economics and Laws
- Joined the Board of Supervisors on 22 April 2022

**Mr. NGUYEN VAN THANH**

Member of Board of Supervisors

- 37 years of experience in Economics, Finance, and Banking
- Bachelor of Business Administration
- Joined the Board of Supervisors on 22 April 2022

**Mr. LAM VAN KIET**

Member of Board of Supervisors

- 29 years of experience in Economics, Finance, and Banking
- Master of Business Administration, Bachelor of Economics
- Joined the Board of Supervisors on 22 April 2022

LEADERSHIP TEAM (continued)**BOARD OF MANAGEMENT, PERSON IN CHARGE OF CORPORATE GOVERNANCE,
CHIEF ACCOUNTANT****Ms. NGUYEN DUC THACH DIEM**

Standing Vice Chairwoman cum CEO
(In charge of the general management of all activities of the Bank, directly overseeing the Corporate Banking Division, the Retail Banking Division, and the PR & Branding Development Center)

- 25 years of experience in Economics, Finance, and Banking
- Doctor of Finance and Banking
- Joined Sacombank in 2002

**Ms. QUACH THANH NGOC THUY**

Deputy CEO
(In charge of the Legal & Compliance Division, Sacombank-SBR, Projects on Operations, Compliance, and Technology)

- 33 years of experience in Economics, Finance, and Banking
- Master of Business Administration
- Joined Sacombank in 1992

**Ms. NGUYEN THI KIM OANH**

Deputy CEO
(In charge of the Financial Markets Division, and the Operations Division)

- 25 years of experience in Economics, Finance, and Banking
- Master of Financial Economics - Banking
- Joined Sacombank in 2000

**Mr. DAO NGUYEN VU**

Deputy CEO
(In charge of the Credit Division, and the Risk Management Division)

- 33 years of experience in Economics, Finance, and Banking
- Master of Business Administration
- Joined Sacombank in 1993

**Mr. HO DOAN CUONG**

Deputy CEO
(In charge of the Administration Division, and Sacombank-SBA)

- 29 years of experience in Economics, Finance, and Banking
- Master of Business Administration
- Joined Sacombank in 1995

**Mr. NGUYEN BA TRI**

Deputy CEO cum Director of the HCMC Region

- 31 years of experience in Economics, Finance, and Banking
- Master of Business Administration
- Joined Sacombank in 1996

**Mr. HOANG THANH HAI**

Deputy CEO cum Director of the North Region

- 28 years of experience in Economics, Finance, and Banking
- Bachelor of Economics
- Joined Sacombank in 2002

**Mr. HA VAN TRUNG**

Deputy CEO
(In charge of the Financial Division, and Sacombank-SBL)

- 28 years of experience in Economics, Finance, and Banking
- Master of Finance and Banking
- Joined Sacombank in 2004

**Mr. NGUYEN MINH TAM**

Deputy CEO
(In charge of the Information Technology Division, and the Digital Banking Division)

- 30 years of experience in Economics, Finance, and Banking
- Master of Economics
- Joined Sacombank in 1995

**Mr. LE DUC THINH**

Deputy CEO
(In charge of the Human Resources Division, Sacombank Lao, and Sacombank Cambodia)

- 29 years of experience in Economics, Finance, and Banking
- Master of Business Administration
- Joined Sacombank in 1996

**Mr. DUONG THANH TUAN**

Acting Head of BOD Office and Person in Charge of Corporate Governance

- 28 years of experience in Banking
- Bachelor of Engineering Economics, Bachelor of Laws
- Joined Sacombank in 2007

**Mr. HUYNH THANH GIANG**

Chief Accountant

- 30 years of experience in Economics, Finance, and Banking
- Master of Economics
- Joined Sacombank in 2012

Mr. BUI VAN DUNG

Deputy CEO

Resigned and terminated his employment contract as of 01 April 2024

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58	Human capital development and corporate culture at Sacombank



REPORT FROM THE CEO



Dear Esteemed Shareholders, Investors, Customers, and Sacombank Employees,

The year 2024 marked a pivotal chapter in Sacombank's journey of growth. Amid a volatile economic landscape, Sacombank demonstrated resilience, maintained steady momentum, and reinforced our pioneering role in retail banking. We remained steadfast in our strategy of sustainable development, technological innovation, and customer experience enhancement.

This approach not only delivered favourable business results but also solidified our foundation as a leading force in Vietnam's financial and banking sector.

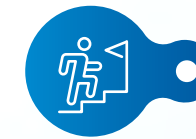
*Ms. Nguyen Duc Thach Diem
Standing Vice Chairwoman cum CEO*



ESSENTIALLY COMPLETING THE RESTRUCTURING PLAN

After nearly eight years of relentless effort, Sacombank has successfully recovered and resolved over 81% of legacy assets from the post-merger period. For the remaining unresolved portfolio, we have fully provisioned 100% for potential risks, thereby fulfilling all financial obligations outlined in our Restructuring Plan. Issues related to cross-ownership, capital contributions, share purchases, and treasury stocks have been effectively addressed, while regulatory findings from past inspections have been largely resolved. Beyond these financial improvements, Sacombank has revitalized and significantly expanded business operations, enhanced governance, and strengthened risk management practices to meet international standards. Sacombank has emerged as a leader in the banking sector's digital transformation. Our credit rating has returned to pre-merger levels, and our market position and reputation continue to strengthen.

The most significant remaining hurdle in officially completing the Restructuring Plan, and thereby enabling dividend payments to shareholders, is the resolution of debts secured by STB shares. Sacombank has fulfilled all related responsibilities, submitted comprehensive resolution proposals, and actively collaborated with the State Bank of Vietnam, while proactively addressing accrued interest and fully provisioning for risks. The resources for dividend distribution are readily available, with retained earnings expected to be 1.34 times of the charter capital and expected to grow further. While formal approval of our Resolution plan may take time, given the ongoing restructuring efforts across the banking sector, we remain confident that it will be addressed. With a clear and sustainable strategic direction, we firmly believe that Sacombank is on the cusp of even greater breakthroughs, delivering exceptional value to customers, partners, investors, and shareholders in the near future.



ROBUST CAPABILITIES

Delving into core business aspects, Sacombank leverages extensive history and nationwide network to serve a diverse customer base. In addition to traditional term deposits, we have actively expanded our low-cost funding sources by attracting deposits from major financial institutions and accelerating the adoption of digital banking services to boost the CASA ratio. In 2024, Sacombank ranked among the top 10 banks with the highest CASA ratios, while total deposits continued to rise, reaching VND 674,794 billion.

With abundant capital and competitive interest rates, our loan portfolio expanded to VND 539,315 billion, with a strategic focus on non-real estate sectors such as services, retail, agriculture, and manufacturing, ensuring long-term sustainability and a positive economic impacts.



Top 10 banks with the highest CASA ratios

However, owing to market challenges and financial headwinds faced by businesses, the non-performing loan ratio saw a slight uptick. Meanwhile, total provisions set side during the year declined due to the completion of obligations with the VAMC and the reversal of allowances from successful debt recoveries.

Service revenues surged, contributing VND 2,978 billion, driven primarily by payment services. Effective cost optimization further bolstered profitability, with Sacombank reporting a profit before tax of over VND 12,720 billion in 2024, a 33% increase year-over-year and 20% above the target. These results underscore the success of our comprehensive restructuring strategy, which prioritizes digitalization, organizational efficiency, and cost optimization. By maintaining this trajectory, Sacombank is well-positioned to strengthen competitive edge in 2025, particularly through controlled credit expansion and diversified non-credit revenue streams.



CUSTOMERS ARE CENTRIC

As a trailblazer in adopting a "customer-centric" approach, Sacombank continually diversifies service offerings to align with evolving customer needs and the accelerating shift toward digitalization.

In 2024, we reinforced our leadership in payment services. The QR payments ecosystem expanded both in scope and international reach, facilitating seamless transactions across Laos, Thailand, and Cambodia. We also introduced two innovative "green" credit cards: the Sacombank Visa Platinum O₂ - the first credit card in Vietnam made from recycled plastic, featuring CO₂ emission tracking per transaction - and the Sacombank Mastercard MultiPass - linked with the HCMC Department of Transport, offering discounted fares on buses and metro lines, aligning with sustainable lifestyle trends among younger consumers. Notably, Sacombank became the first bank in Vietnam to offer

multi-method payments on a single device, earning us the exclusive role of providing open-loop payment solutions for HCMC's public transportation system.

For corporate clients, we introduced virtual credit cards, offered preferential interest rates, and implemented online disbursements, enabling businesses to access capital swiftly without delays. Beyond financial services, Sacombank's after-sales programs and exclusive networking events provided customers with both economic value and business expansion opportunities.

As of 31 December 2024, Sacombank served over 19 million customers, with 62% being digital users. Digital transactions accounted for nearly 94% of total transactions, growing 35% in volume and reaching over VND 7 trillion in value, a 10.3% increase from 2023.

REPORT FROM THE CEO (continued)



COMPREHENSIVE DIGITALIZATION

As of now, Sacombank's new Data Center in Tan Thuan has been operating stably. The Data Centers are interconnected with high-speed bandwidth, significantly enhancing storage capacity and data processing speed. This expansion enables more in-depth and detailed insights into customer behavior. By combining the data system with other technological advancements, we have reduced end-of-day transaction processing time from five hours to just over four hours (compared to the market average of six to eight hours). Additionally, system downtime (caused by technical slowdowns) has decreased by 40% compared to 2023, ensuring a smoother and more reliable digital experience for our customers.

To meet the growing demand for convenience, Sacombank has accelerated the development of API ecosystem, transforming Sacombank Pay into a "super app" that combines full banking functionalities with an extensive suite of third-party payment services. Furthermore, we have taken the lead in integrating Artificial Intelligence (AI) into our customer service call center and have established a strategic partnership with Microsoft Vietnam to enhance data utilization,

workforce training, and the rapid deployment of AI-driven banking solutions.

Over the past year, Sacombank has digitized numerous critical processes, particularly repetitive tasks, reducing manual workload by 40%, increasing productivity, optimizing cash flow management, and effectively controlling non-performing loans. This has paved the way for a leaner operational model, supported by network restructuring through branch mergers and the installation of 24/7 automated digital transaction points.



ELITE WORKFORCE

Amid rapid technological advancements and rising customer expectations, Sacombank remains committed to building a highly skilled, adaptable workforce.

A key aspect of this effort is streamlining personnel, prioritizing the retention of top-performing employees with strong technological proficiency. Simultaneously, we have enhanced training initiatives, offering an extensive online learning platform with hundreds of regularly updated courses. Continuous learning

is not only encouraged but also mandated as a core performance evaluation criterion for employees.

Beyond training, Sacombank fosters a professional work environment, where creativity is nurtured, and competitive compensation packages help attract and retain top talent. Additionally, we have launched career development and succession planning programs, ensuring employees have clear pathways for growth and advancement.



PARTNERING FOR COMMUNITY DEVELOPMENT

Alongside vibrant business activities, Sacombank remains dedicated to creating positive social impact through a long-standing commitment to sustainable development and corporate social responsibility. We prioritize financing core economic sectors, actively contributing to green finance initiatives, promoting healthy lifestyles, and implementing sustainable workplace practices, such as reducing electricity and paper consumption through digital transformation.

In 2024, Sacombank implemented impactful programs, including contributions to support communities recovering from Typhoon Yagi; awarding 4,000 scholarships to underprivileged,

high-achieving students; and distributing Tet gifts worth over VND 10 billion to those in need across Vietnam, Laos, and Cambodia.

The Bank also assisted thousands of customers affected by natural disasters with programs offering interest rate reductions of up to 2% per year, service fee waivers, and penalty-free early loan repayments. Moreover, in collaboration with government agencies and partners, Sacombank actively supported the Prime Minister's "Eliminate Temporary and Dilapidated Housing" campaign, contributing to the construction of schools, cultural houses, roads, and essential infrastructure, including electricity, clean water, and boreholes for underprivileged communities.



OUTLOOK FOR 2025

In 2025, Vietnam aims for an 8% of GDP growth rate, driven by the recovery of manufacturing, exports, and domestic consumption, bolstered by flexible fiscal policies to control inflation and stabilize the macroeconomy.

Against this promising backdrop, Sacombank has set a growth target of 10-15% for key metrics such as capital mobilization, credit, and profit. Our focus remains on the Transformation – Efficiency – Sustainability strategy, emphasizing operational optimization, technology adoption, and comprehensive process digitalization to enhance performance and mitigate risks.

Additionally, Sacombank will prioritize digital finance development, expand modern payment solutions, promote smart consumer lending, personalize services, and further invest in Sacombank Pay. Simultaneously, the Bank will intensify bad debt recovery efforts, strengthen risk management frameworks, and enhance asset quality and capital allocation strategies.

In 2024, Sacombank overcame challenges with innovation, resilience, and bold transformations. For us, 2025 is not just about achieving growth figures; it is about embracing a broader vision, continuously reinventing ourselves, and leading meaningful value creation. Ultimately, success is not measured solely by financial performance but also by the trust and confidence of our shareholders, investors, customers, and the broader community.

On behalf of the Board of Management, I extend my deepest gratitude to all of you for your unwavering support. With a solid foundation and a clear strategy, Sacombank is poised to achieve new milestones, delivering sustainable value to you and society.

Sincerely,

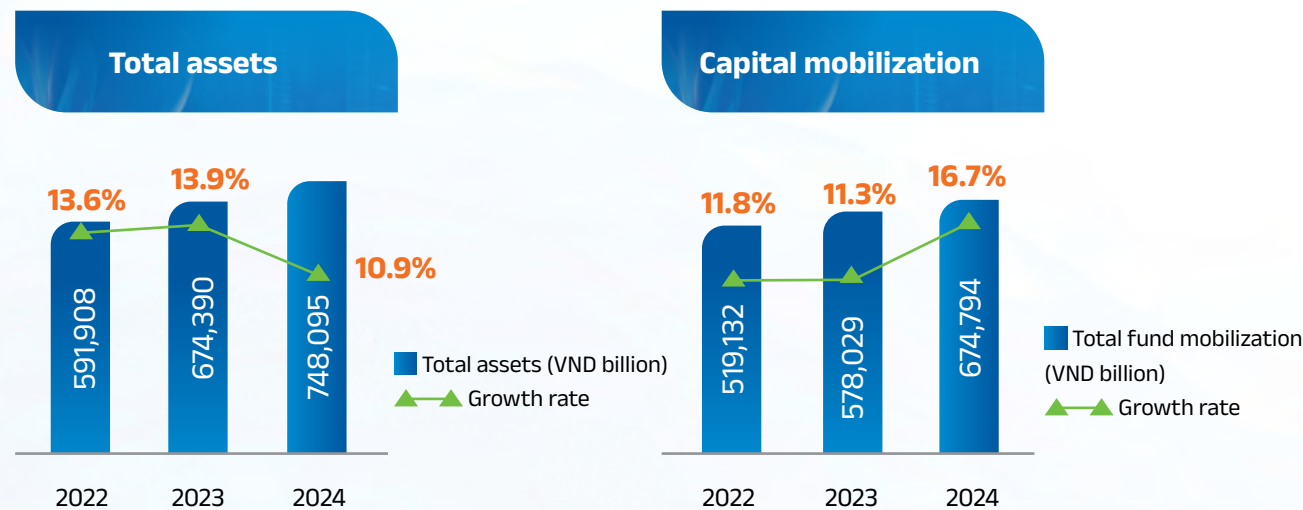
**Standing Vice Chairwoman cum CEO
NGUYEN DUC THACH DIEM**

BUSINESS PERFORMANCE IN 2024

In 2024, despite market challenges, Sacombank achieved most of the targets set by the Shareholders Committee, with profit before tax reaching 120% of the plan. The bank kept expanding its business scale while maintaining stable asset quality. Financial safety indicators showed significant improvement, reflecting relentless efforts to enhance financial performance and promote sustainable development.

EXPANDING BUSINESS SCALE

The business continued scaling up sustainably amid fierce competition. To improve efficiency, the structure of capital funding and financing was prioritized for restructuring.



The total assets of Sacombank continued to improve in both quantity and quality, reaching VND 748,095 billion, reflecting a 10.9% increase and achieving 103% of the target. The structure of capital funding and financing were balanced to ensure optimal efficiency. Earning assets increased by 17.8%, their proportion in total assets raised from 89.6% to 95.2%.

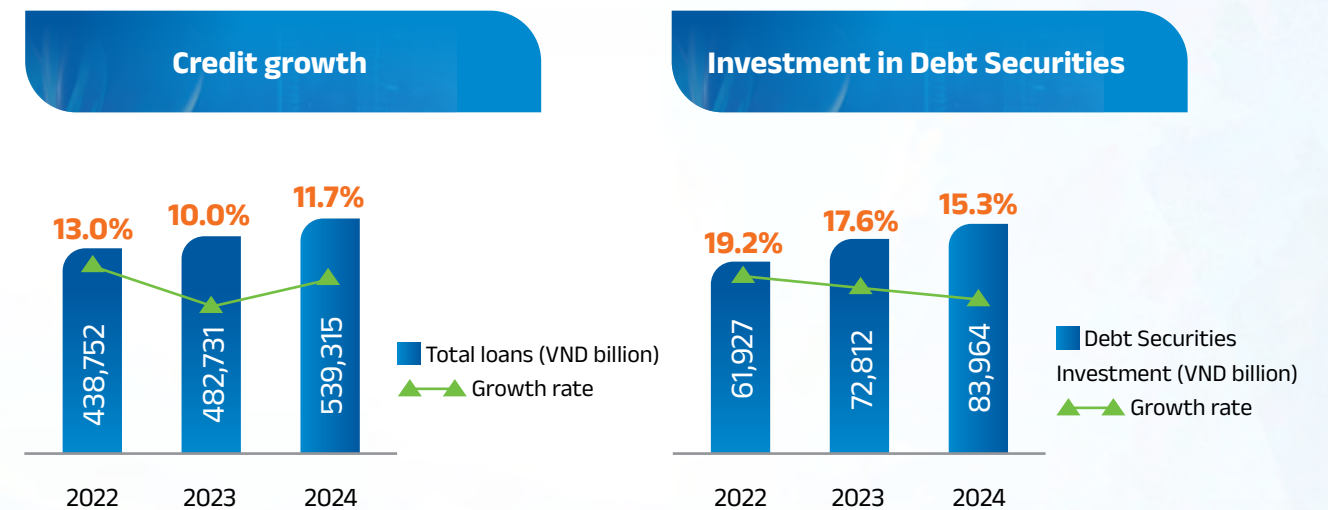
Owner's equity reached VND 54,972 billion, an increase of 20.2% with charter capital accounting for VND 18,852 billion, or 34.3% of owner's equity. Accumulated undistributed profit amounted to VND 25,352 billion, exceeding 1.3 times the charter capital, thereby

ensuring sufficient financial resources for dividend payments to shareholders upon approval from the State Bank of Vietnam.

Constant growth in capital mobilization over the years has solidified Sacombank's position and reputation in the financial market. Total deposits reached VND 674,794 billion, up 16.7% year-to-date, achieving 106% of the target set by the Shareholders Committee. Of which, mobilization from market 1 amounted to VND 577,935 billion, up 10.1%, accounting for 85.6% of total deposits. Non-term deposits (CASA) increased by 9.3%, accounting for 18% of the total, driven by expanded customer outreach and a transition to digital channels.



In 2024, Sacombank fulfilled most of the targets assigned by the Shareholders Committee.



Emphasising on balancing credit growth in each period and optimizing within the credit limits set by the State Bank of Vietnam. Sacombank's outstanding credit balance reached VND 539,315 billion, up 11.7%. During the year, Sacombank loaned out nearly VND 165,000 billion in packages with preferential interest rates ranging from 3%, for individual and corporate customers, aimed to boost production and business activities, stimulate economic demand, and support livelihoods.

Accordingly, Sacombank's loan portfolio prioritized business and production activities as well as consumption spending, accounting for nearly 80% of total outstanding loans.

Sacombank focused on investing in government bonds. The total debt securities portfolio (excluding VAMC bond) reached VND 83,964 billion, up by 15.3%. Of which, VND 69,555 billion was invested in government bonds, up 10.2%; the remaining VND 14,409 billion was invested in bonds, certificates of deposit issued by other credit institutions.

Total income from debt securities investment was VND 2,230 billion, up 21.6% yoy.

BUSINESS PERFORMANCE IN 2024 (continued)

ENHANCING ASSET QUALITY AND OPERATIONAL SAFETY

Focusing on improving asset quality and operational safety is a key factor in strengthening Sacombank's financial capacity, improving management efficiency, and expanding business scale.

NPL ratio

2.08%

▼ 0.02%

Due to the economic headwinds and rising bad debts across the industry, Sacombank has been cautious in lending and put efforts to handle bad debts. NPL ratio decreased by 0.02% to 2.08%.
Provision for credit risk made in accordance with regulations NPL coverage ratio was at 68.4%.

Consolidated Capital Adequacy Ratio

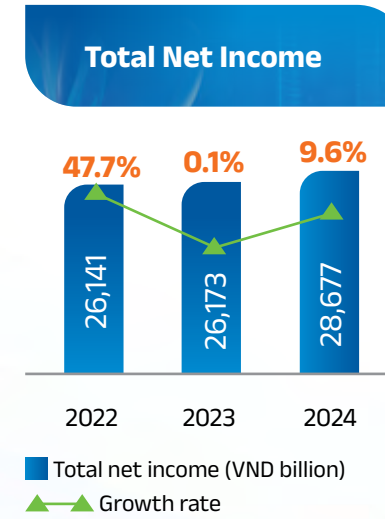
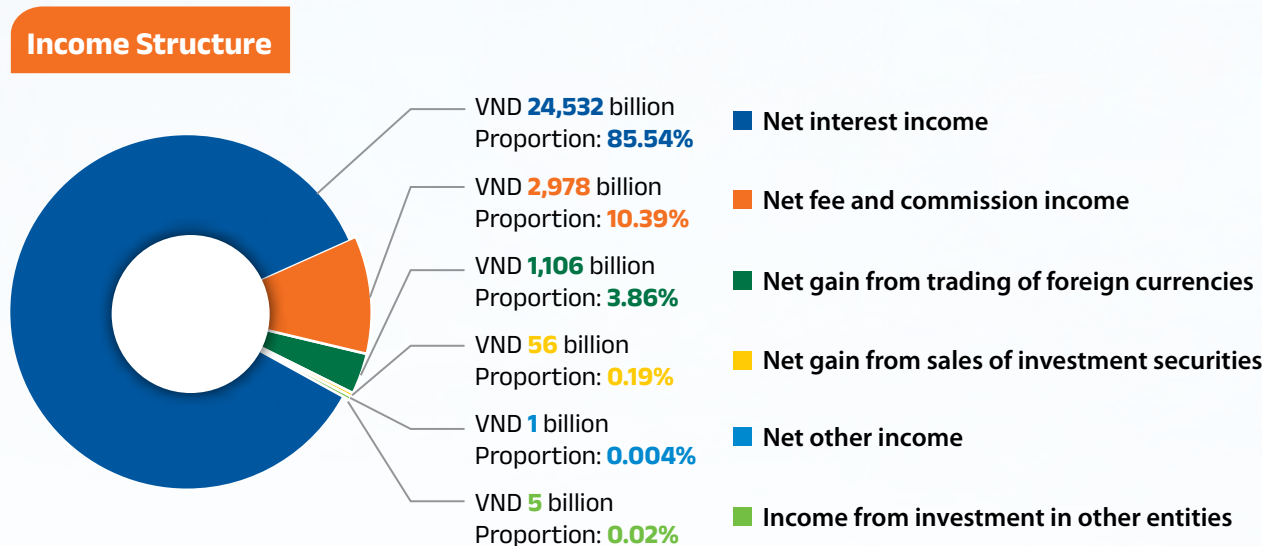
CAR 10.14%

▲ 1.03%

Controlling operational safety ratios, ensuring they remain within management targets and steadily improving stability, providing a stable foundation to drive business expansion in the coming period. The consolidated CAR reached 10.14% (regulatory requirement: ≥8%).

ENHANCING BUSINESS EFFICIENCY

Sacombank prioritized not only revenue growth but also the optimization of various factors, including costs, processes, human resources, technology, and customer services. These efforts enhanced business efficiency, increased profitability, and secured long-term competitiveness.



Total income reached VND 28,677 billion, up 9.6% from the previous year. Of which, interest income grew by 11.1% after Sacombank fulfilled financial obligations related to deferred interest allocation under the Restructuring Plan (effective from June 2022). Net service income reached VND 2,978 billion, up 13.8%, mainly driven by digital banking and card services. FX business generated an income of VND 1,106 billion, reflecting 0.6% growth.



Service revenue breakdown by product line

Card services

The development of new payment technologies such as NFC and QR codes, combined with changing consumer habits, led to a decline in payment card usage. Sacombank has focused on promoting the credit card segment while optimizing convenience costs to boost efficiency.

Card outstanding

23,343

VND billion ▲ 2.5%

Services fee

3,070

VND billion ▲ 19.5%

Digital banking

The volume and size of transactions via digital channels (eBanking and Sacombank Pay) surged, driven by shifts in payment behavior and the widespread adoption of electronic payment methods. Encouraging customers to use mSign/Smart OTP delivered dual benefits of increased service revenue and reduced costs, resulting in a significant rise in net service revenue from digital channels.

User online

9.9 million users

▲ 12.3%

Number of transactions

685.9 million

▲ 34.9%

Online transaction ratio

198 VND billion

▲ 4.9 times

Services fee

93.7%

(online/over-the-counter)

▲ 2.5%

BUSINESS PERFORMANCE IN 2024 (continued)

ENHANCING BUSINESS EFFICIENCY (continued)

Insurance services

The slow economic recovery and budgeting consumer spending, coupled with lingering distrust in insurance activities, led to a decline in first-year insurance sales and insurance service fees compared to the previous year, reflecting industry-wide trends.

FYP VOLUME
778 VND billion

Services fee
541 VND billion

Payment services

Domestic payment volume grew positively; however, service fee income decreased due to promotions for customers. International payment volume experienced a slight decline compared to the previous year; however, fee income from international transactions recorded a modest increase, supported by a strategic focus on import services and outbound remittances.

Domestic payment

29.92 VND quadrillion
▲ **43.5%**

Transaction volume

International payments

19.4 USD billion
▼ **1.6%**

Services fee

356 VND billion

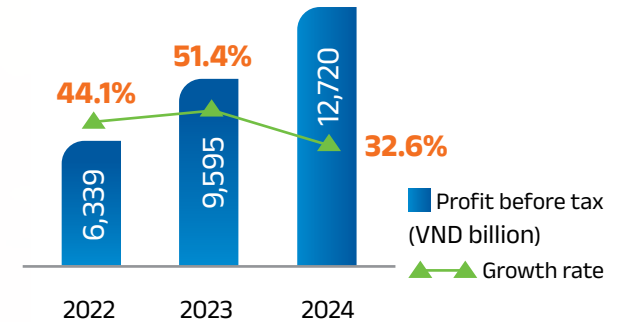
422 VND billion

Operating expense

CIR
48.8% ▼ **0.5%**

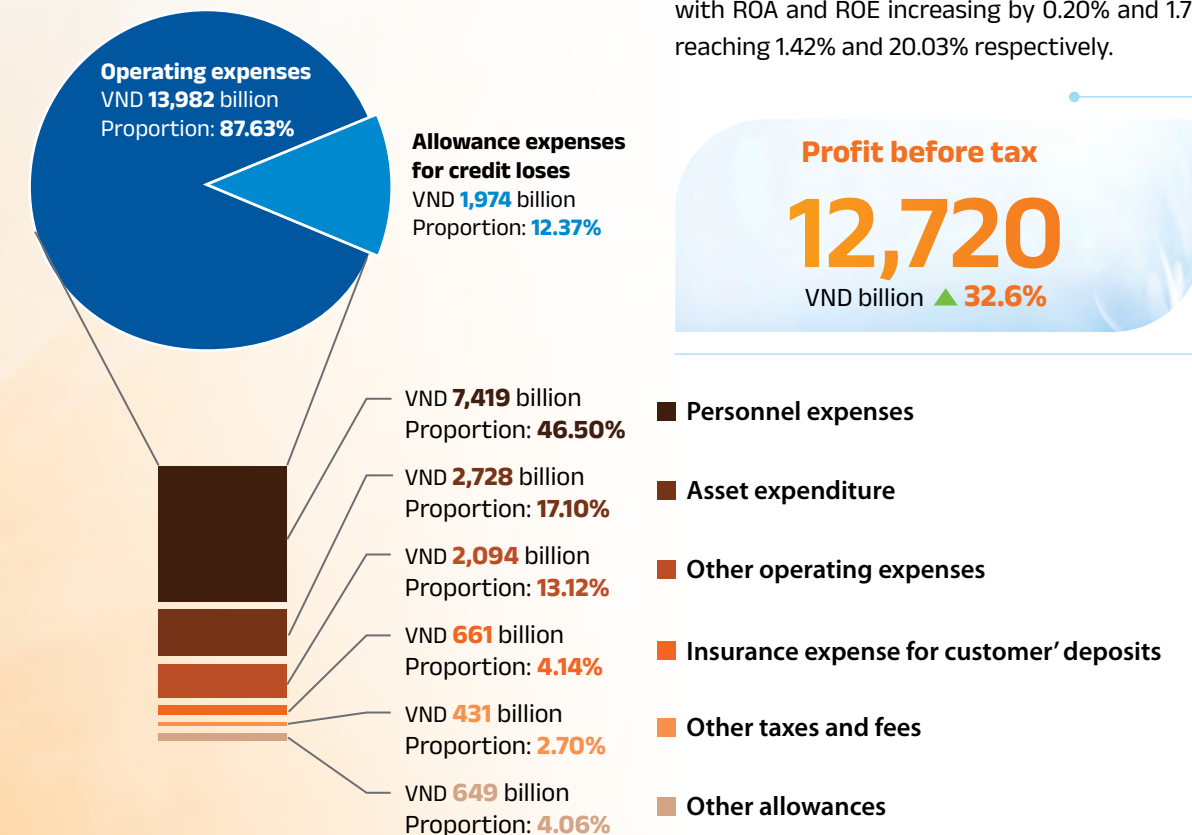
Sacombank maintained focus on effective cost management, emphasized expenditure business development and technology investments to support its digital transformation strategy. The CIR in 2024 decreased to 48.8%, driven by improved total income despite higher operating costs, due to increased provisions aiming proactive risk management. This demonstrates Sacombank's commitment to achieving revenue growth and cost reduction targets to improve the CIR.

Profit before tax



Consolidated profit before tax reached VND 12,720 billion, up 32.6% compared to the previous year and achieving 120% of the target set by the Shareholders Committee, reflecting a robust business recovery and growth post-restructuring, ensuring a balance between operational safety and efficient capital utilization.

Operating Expense Structure



Profitability ratios also saw significant improvements, with ROA and ROE increasing by 0.20% and 1.73% yoy, reaching 1.42% and 20.03% respectively.

Profit before tax

12,720 VND billion ▲ **32.6%**



ORIENTATION IN 2025

Optimizing scale – Enhancing efficiency – Increasing effectiveness

- Restructuring capital sources to reduce capital costs, improve capital utilization efficiency, and enhance profitability ratios.
- Reducing non-performing loans and remaining legacy assets to complete the Restructuring Plan.
- Strengthening the development of non-credit revenue sources, particularly from digital channels and modern payment solutions.
- Focusing on cost management and improve operational efficiency as a foundation for enhancing business performance.

Expanding customer base – Modernizing products and services – Enhancing customer experience and satisfaction

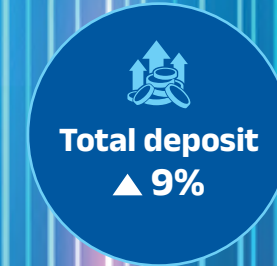
- Implementing the Open Banking platform, developing a partner ecosystem, and strengthening collaborations with technology partners to significantly expand the customer base.
- Focusing on developing digital financial products and services, modernizing payment solutions, smart consumer lending, and personalizing finance to enhance the customer experience.
- Developing green credit solutions and integrate ESG (Environmental, Social, and Governance) factors into financial products to promote sustainable development and encourage customers to engaging in financial activities that have a positive impact on the environment and society.

Optimizing operations – Elevating corporate governance – Strengthening systemic risk management

- Optimizing the operational model, applying technology in management and transactions.
- Strengthening the transaction point system and enhancing the organizational structure at the headquarters.
- Applying modern management models and enhancing risk management solutions in line with international practices.

Technological breakthrough – Optimizing and enhancing human resource quality

- Accelerating digital transformation in line with the roadmap and upgrade technology.
- Focusing on building a big data platform and applying AI for data-driven decision making.
- Rotating personnel to align with the new business model and standardize the KPI system.
- Promoting a positive corporate culture, spreading core values, and strengthening compliance and risk management.



TRANSFORMATION

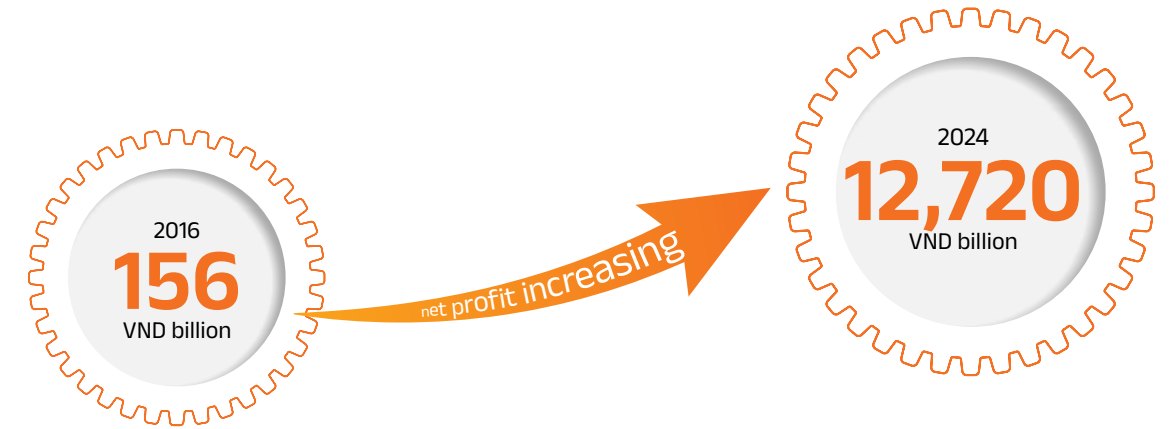
EFFICIENCY

SUSTAINABILITY

RESTRUCTURING PLAN REPORT

Over the past nearly 8 years, Sacombank has undertaken self-restructuring, relying solely on its internal capabilities, despite facing challenges following the merger and limited increase capital, Sacombank not only restored its business capacity, addressed a significant portion of legacy debts, and fulfilled all financial obligations but also made steady progress amid the continuous fluctuations in the financial market.

- 01 Completing restructuring and streamlined operational frameworks, enhancing governance and management capabilities on principles of transparency, openness, and adherence to legal standards in all activities.
- 02 Achieving debt recovery and resolution of bad debts and legacy assets amounting to nearly VND 10,000 billion, bringing the cumulative total to VND 103,988 billion (of which VND 76,695 billion pertains to the Restructuring Plan). As a result, bad debts and legacy assets under the Plan decreased by 80.5%, proportion in total assets dropped from 28.1% to 2.4%. Notably, Sacombank fully resolved VND 21,576 billion in deferred interest receivables under Plan 34 and made 100% provisions for all remaining unresolved legacy debt portfolios.
- 03 Basically, completing the settlement of outstanding issues according to the inspection and examination conclusions. Handling violations of cross-ownership and capital contributions. Completing liquidation of treasury shares.
- 04 Promoting comprehensive business growth in both scale and efficiency, net profit increasing from VND 156 billion (2016) to VND 12,720 billion (2024).
- 05 Operational safety indicators comply with regulations at all times and are continuously improved towards safety and sustainability.



- 06 Improving credit ratings by Moody's and onboarding new ratings from Fitch Ratings. Restoring brand credibility and achieved a global ranking of 322 among the Top 500 largest global banking brands; enhanced trust among shareholders and partners; attracted interest from strategic investment funds; and expanded the customer base to 19 million individuals and businesses.
- 07 Accelerating information technology development, creating a solid foundation for comprehensive digital transformation; applying modern technologies, and providing advanced and multi-utility products and services that are well received by customers.
- 08 Building a risk management system towards international standards: Implementing and applying Basel III risk management standards, completing the transition to IFRS9 financial reporting standards; attaining and maintaining ISO certifications for quality management and advanced security compliance.
- 09 Focusing on restructuring the network; standardizing the branding and restructuring all franchise networks in depth with mechanisms and solutions, creating conditions for the strong development of scale, business efficiency, and human efficiency across the system.
- 10 Human resource allocation to enhance productivity and improve the quality of employee.

PERFORMANCE OF SUBSIDIARIES AND SUBSIDIARY BANKS

In 2024, the business performance of Subsidiaries in generally met their targets and provided significant support to the Parent Bank in relevant areas. However, due to ongoing restructuring efforts, strategic realignment, and the impact of macroeconomic conditions, the performance of certain units did not meet the expectation.

To 2025, alignment with the Parent Bank's strategic direction, Subsidiaries will continue to capitalize on market opportunities, with a strong focus on comprehensive restructuring to enhance human resource quality, governance and management capacity, and risk control. Aiming to specialize in each unit's operations, thereby improving overall productivity and efficiency.



SACOMBANK ASSET MANAGEMENT COMPANY LIMITED [SACOMBANK - SBA]

Charter capital: VND 500 billion

Throughout the year, efforts to resolve outstanding issues in asset liquidation continued. Although new business activities were initiated and some indicators showed positive momentum, the slow restructuring progress resulted in underperformance. Nevertheless, the support for the parent bank remained consistent and secured. Profit before tax reached VND 31.6 billion.



SACOMBANK LEASING COMPANY LIMITED [SACOMBANK - SBL]

Charter capital: VND 600 billion

Charter capital increased by VND 300 billion, outstanding financial leasing loans grew significantly, boosting income. Simultaneously, proactive debt recovery efforts contributed to a strong profit increase. Profit before tax reached nearly VND 225 billion, representing a 22.2% increase year-over-year.



SACOMBANK REMITTANCE EXPRESS COMPANY LIMITED [SACOMBANK - SBR]

Charter capital: VND 15 billion

Challenges from some major partners led to a slight decline in turnover compared to the previous year. However, efforts to retain key partners, develop labor export markets, and apply technology in flexible payment operations resulted in significant revenue growth and effective risk management. Due to year-end foreign currency revaluation in accordance with regulations, profit before tax was recorded at VND 9.6 billion. This adjustment will be reversed in 2025 (VND 10.8 billion). Accounting for this factor, profit would reach VND 20.4 billion, marking a 77% increase year-over-year.



SACOMBANK JEWELRY COMPANY LIMITED [SACOMBANK - SBJ]

Charter capital: VND 250 billion

Business performance was strong during the peak season at the beginning of the year, supported by focused restructuring and decisive liquidation of inventory. Pre-tax profit reached VND 1.8 billion, representing a 121.6% increase year-over-year.



SACOMBANK LAO

Charter capital: VND 1,084 billion

In 2024, the Laos economy recovered steadily with estimated GDP growth of 4.1%. Sacombank Laos delivered strong growth: Total capital mobilization reached VND 2,246 billion, with nearly 67% (VND 1,513 billion) mobilized from corporates and individuals, increased by 37% year-over-year; Loans reached VND 1,814 billion, increased by 26%. Profit before tax amounted to over USD 1 million, equivalent to VND 26.4 billion.



SACOMBANK CAMBODIA PLC

Charter capital: VND 1,644 billion

In 2024, Sacombank Cambodia Plc made substantial efforts to navigate macroeconomic challenges: Total deposits reached VND 5,644 billion, with 89% (nearly VND 5,020 billion) mobilized from corporates and individuals, increased by 23.2% year-over-year; Outstanding loans reached VND 5,163 billion, increased by 8%. The Bank proactively addressed legacy financial issues, resulting in profit before tax of USD 1.4 million, equivalent to VND 35.6 billion.

RISK MANAGEMENT REPORT

The year 2024 was marked by significant political, economic, and social pressures. The banking sector faced challenges in managing multiple objectives aligned with the nation's overall development strategy. These included implementing monetary policies to control inflation while supporting economic growth, restructuring the banking system - including addressing weak banks - and accelerating digital transformation in banking operations.

Despite these considerable challenges as a credit institution undergoing restructuring progress, Sacombank maintained stable growth and achieved remarkable progress, affirming its robust internal capabilities. Building on prior successes, Sacombank continuously innovated and improved risk management activities to align with industry best practices and the Bank's operation. These efforts have progressively strengthened a solid and consistent foundation, fostered sustainable operations and significantly contributed to the Bank's overall performance.

SUSTAINABILITY REPORT DISCLOSURE (ESG)

Sacombank publishes annual Sustainability Reports to evaluate its environmental and social impacts. In 2024, the Bank adopted international sustainability standards for ESG reporting. The strategic objectives outlined in the report provide a foundational framework for assessing internal capabilities in addressing social and environmental risks while striving for sustainable growth.

Through relentless efforts, Sacombank was honored as a **Strong Vietnamese Brand 2024** by the Vietnam Economic Times for its pioneering initiatives in innovation, digital transformation, green transformation, and investment in sustainable projects. These included implementing emission-reduction programs and contributing to the promotion of a green and sustainable economy.



ENSURING OPERATIONAL SAFETY RATIOS

Sacombank consistently maintained all operational safety indicators at sustainable levels. The Capital Adequacy Ratio (CAR) remained above 9%, exceeding the State Bank of Vietnam's minimum requirement of 8%. Despite capital constraints, the Bank successfully managed risk-weighted assets ratio, gradually reducing to 80%. During this restructuring phase, Sacombank demonstrated strategic flexibility and strong governance by balancing asset risk management with business expansion while maintaining a healthy CAR.

Liquidity management remained sound, meeting all payment obligations under both normal and stressed conditions. Liquidity safety indicators were stable and efficient: the loan-to-deposit ratio stood at 80%, the short-term funds used for medium and long-term loans was approximately 22%, and the liquidity reserve ratio was 21%. Sacombank also optimized capital utilization and maintained a competitive Net Interest Margin (NIM) aligned with market conditions. All limits and restrictions set by the State Bank of Vietnam were strictly controlled, ensuring full compliance at all times.

EFFECTIVE CREDIT RISK CONTROL

Sacombank regularly reviewed, updated, and adjusted credit policies to strengthen risk control in line with market conditions, legal regulations, and internal risk appetite. These efforts included:

- Ensuring 100% compliance with credit safety ratios set by the State Bank of Vietnam.
- Maintaining credit quality within defined risk appetites, limits, and credit portfolios.
- Enhancing the effectiveness of remote monitoring and inspections to identify potential risks, with timely guidance issued to Regions, Branches, and Transaction Offices.
- Developing early credit risk warning systems and tools.

Despite ongoing economic challenges and lingering impacts from the COVID-19 pandemic on individuals and businesses, Sacombank effectively maintained overall credit quality. Overdue, bad, and legacy debts were handled flexibly with proactive customer support, achieving strong results. In 2024, Sacombank fully integrated the CIC H2H system, processing over 1.3 million credit reports, which helped reduce costs and enhance credit risk management.



RISK MANAGEMENT REPORT (continued)



PROMOTING DIGITAL TRANSFORMATION IN RISK MANAGEMENT ACTIVITIES

Aligned with digital transformation strategy, Sacombank's risk management system successfully implemented key transformation projects, and applied technology to risk control functions. This significantly improved the system's efficiency and quality. Key achievements include:

- Upgrading the CIC H2H system to enhance credit information management.
- Completing the Fraud Prevention Methodology project, including models and scenarios to identify fraud risks - forming the foundation for developing IT systems for fraud prevention.
- Enhancing customer evaluation and rating models under the Retail Loan Origination System (RLOS).
- Developing a Role and Application Access Matrix to strengthen account management across information systems.
- Effectively applying best practices from Basel II and Basel III, enhancing Sacombank's competitive edge both domestically and internationally. In 2024, Sacombank received upgraded ratings from leading global credit agencies (Fitch Ratings and Moody's), demonstrating international confidence in the Bank's strategic direction and governance capabilities.



ENHANCING RISK MANAGEMENT CULTURE AND CAPABILITIES

In 2024, Sacombank implemented multiple initiatives to reinforce its risk management culture and capabilities. The coordination among the three lines of defense was strengthened to ensure operational safety and sustainability.

- Regulatory documents were streamlined and standardized, with over 170 documents reviewed and updated to align with operational restructuring and comprehensive transaction process digitization.
- A risk management competency framework was developed for key roles, setting specific knowledge and skill benchmarks and outlining career paths for risk professionals.
- A series of training programs on compliance and risk management were launched, including the "Understand Your Job - Secure Your Career" campaign, alongside in-person and online training, workshops, and knowledge competitions.
- Risk awareness was expanded through diverse communication channels, in forms of ethical codes and standards of conduct, legal case studies, courtroom reports, bulletins, market forecasts, and simulation videos.



RISK MANAGEMENT REPORT (continued)

IMPLEMENTATION OF BASEL III

Sacombank is among the first banks selected by the State Bank of Vietnam to adopt Basel international banking standards. Despite being in a restructuring phase, the Bank achieved outstanding results by fully implementing the three pillars of Basel II by 2021. In late 2023, Sacombank was certified by EY Vietnam Consulting JSC for completing the implementation of risk management standards under Basel III.

In 2024, Sacombank continued widespread adoption of Basel III by operating a capital calculation system. This enhanced capital quality, optimized costs and liquidity, balanced profit targets with risk costs, and

improved resilience to market volatility. The Bank also developed a roadmap for transformation of the target model for risk management in line with the digital transformation, leveraging big data and advanced technologies in business and risk management. The successful implementation of Basel III marked a major milestone, reinforcing Sacombank's internal strength and confidence in completing the restructuring journey.



KEY OBJECTIVES FOR 2025



Key objectives:

- Maintain Capital Adequacy Ratio (CAR) compliance and preserve credit quality.
- Execute critical digital transformation projects.
- Deploy fraud risk management and prevention initiatives.
- Refine systemic risk management frameworks for early warning, operational risk mitigation, and error reduction.
- Strengthen communication and awareness through various internal channels.



PILLARS OF SACOMBANK'S DIGITAL BANKING DEVELOPMENT

With an early adoption of technology and a strong recognition of the banking sector's pioneering role in driving digital transformation across industries, Sacombank has focused on comprehensive digitalization through five key pillars, contributing to the implementation of the national strategy for digital economic and social development.

STRENGTHENING INFRASTRUCTURE DIGITALIZATION

The digital transformation journey begins with building a strong digital infrastructure to support the digitalization process. In 2024, Sacombank partnered with CMC Telecom to launch the Tan Thuan Data Center, which meets international standards and enhances system readiness and future scalability.

Cloud computing and automation platforms have enabled Sacombank to deploy digital transformation applications three times faster. IT resources are managed more efficiently, with greater flexibility and scalability, ensuring stable transaction processing even during peak periods. This has allowed Sacombank

to optimize investment efficiency, reduce costs, and build a robust infrastructure for key projects such as the biometric data collection initiative, which was successfully deployed on schedule. All infrastructure systems and applications are now 100% automated, minimizing risks and ensuring rapid product and service rollouts.

Additionally, the Bank has effectively utilized simultaneous application operations across multiple data centers to support increased transaction volumes and improve system stability, thereby delivering superior customer experience.



ENHANCING DIGITALIZATION AND PROCESS AUTOMATION

Operational processes are at the core of any organization's management and business activities, forming the foundation for interdepartmental connections. Products and services offered to customers are the outcomes of well-structured operational and production processes.

In the digital era, where competition in the financial and banking sector is intensifying, leveraging technology to digitize and automate operational processes has become essential. This transformation not only enhances internal efficiency but also improves customer service and enables management to make timely and accurate decisions.

Since 2023, Sacombank has implemented the E-Portal platform, integrating advanced technologies such as BPM Engine (Camunda), eForm (ForCS), Front-end ReactJS, Microservices, and Akabot RPA. By the end of 2024, the Bank had digitized over 50 paper-based forms (Smart Forms) and numerous business processes, achieving key milestones:

<p>The New Customer Registration process for individuals, businesses, and service packages has reduced transaction time by over 50%, consolidating six separate systems into a unified E-Portal.</p>		<p>The Customer Information Update process reduced processing time by 60%, ensuring consistency and minimizing data entry errors.</p>
<p>Digitizing import/export document processing has improved processing speed by up to 50%, supporting centralized management and faster information retrieval.</p>		<p>Biometric data collection at branches ensures compliance with regulations set by the State Bank of Vietnam.</p>
<p>Internal processes such as Expense Payments and Travel Management are now more flexible and efficient.</p>		<p>The E-Portal system has processed over 2.5 million transactions and has become an indispensable tool in Sacombank's operations.</p>

5 PILLARS OF SACOMBANK'S DIGITAL BANKING DEVELOPMENT (continued)



Diversifying digital financial solutions is a global trend and a strategic focus for Sacombank. These solutions provide customers with quick and convenient access to financial services while also boosting employee productivity and operational efficiency.

The Sacombank Pay app delivers a diverse ecosystem of financial utilities, including: 24/7 online banking services (account and card opening in 5 just seconds, credit card issuance within 5 minutes, money transfers, savings, consumer loans, bill payments, shopping, borrowing, etc.); It also provides cashless and contactless payment solutions (QR codes payments, Apple Pay-linked cards, instant virtual card issuance); Notable launches in 2024 include the Sacombank Mastercard Metro Pass introduced alongside the opening of Metro Line 1 as well as new features such as SMS-based Vietlott ticket purchases, real-time transaction sharing for business accounts, and top-ups for SSI securities.

Below are some key digital financial solutions that Sacombank Pay – the personal financial management application – has focus on developing over the past year. These efforts aim to enhance customer experience and reinforce Sacombank's leadership in the digital transformation of the banking sector.

- **Advanced security technologies:** Multi-factor authentication, biometric verification (fingerprint, facial recognition), and proactive updates against cybersecurity threats. Sacombank Pay maintained PCI DSS certification at the highest level from the Global Security Standards Council for the 11th consecutive year.
- **Personalized user experience:** Utilizing data and behavior analytics to recommend tailored services and enable customizable interfaces.
- **Financial empowerment tools:** Online savings with competitive interest rates, quick consumer loans, card-based installments, free services (transfers, account management, real-time balance notifications), and ongoing promotions.
- **Comprehensive bill payment services:** Flexible options for electricity, water, telecom, internet, cable TV, insurance, tuition, etc., via bank accounts, credit cards, or automatic payments.
- **Travel and entertainment support:** Flight, train, bus ticket booking, currency exchange, hotel reservations, entertainment tickets, and more.



Digital data infrastructure not only transforms marketing, services, and customer care method – enabling products to be tailored to the need of each target customer segment. But also helps optimize operations, improve processes, detect and prevent risks, and minimize fraud.

With the vision of becoming a leading digital bank, Sacombank is actively executing its digital transformation strategy through various projects such as Omnichannel, Contact Center, cloud computing, process automation, digitization of retail lending

(Retail LOS), and data platform development. Digital data is identified as a top strategic priority.

The year 2025 marks a pivotal milestone in Sacombank's data infrastructure development, with major investments in: Big Data analytics and processing platforms; Data Governance frameworks; Master Data Management systems; AI-powered customer care platforms; Marketing automation tools. These initiatives aim to enhance the customer experience, enable data-driven marketing and predictive analytics, strengthen fraud prevention and risk management, and improve overall operational efficiency.



Customer engagement has been at the heart of Sacombank's digitalization journey and remains a top priority. The Bank will continue to implement initiatives in 2025 to promote digital financial adoption:

- **Marketing campaigns and free services**
Launching attractive promotions and producing educational materials and video tutorials to highlight the benefits of digital solutions.
- **Simplifying the customer journey**
Redesigning the financial experience to streamline processes and reduce transaction times.
- **Loyalty programs**
Rewarding transactions with redeemable points for gifts, shopping vouchers, mobile top-ups, fee waivers, and more.

DEDICATION AND STRATEGY FOR A "COMPREHENSIVE" CUSTOMER EXPERIENCE

With a customer-centric approach, Sacombank consistently prioritizes customer care and enhances service quality at every touchpoint along the customer journey. The philosophy of a "comprehensive experience" has become the guiding principle for all of the Bank's activities. In 2024, Sacombank achieved significant milestones through continuous innovation and improvement. This philosophy not only delivers optimal value to customers but also serves as a solid foundation for sustainable growth, reinforcing Sacombank's pioneering position in the market.

COMPREHENSIVE INNOVATION TO ELEVATE SERVICE QUALITY

Sacombank has consistently innovated, from its external image to the service style of every employee. The Net Promoter Score (NPS) at service counters has increased annually, reaching 93.5% in 2024, highlighting the effectiveness of these efforts. This achievement stems from a series of synchronized initiatives, including service counter transformation, process optimization, and enhanced employee training.

Branches and transaction offices have been redesigned with modern aesthetics, integrating advanced technologies to create comfortable transaction spaces for both customers and employees. The Bank implemented a "one-stop" service model, enabling single-window transactions

that reduce processing time and enhance labor productivity. Digitalized operational procedures have been implemented across all 560 transaction points nationwide, significantly reducing paper usage and cutting transaction times by 40%, thereby improving overall efficiency.

Adhering to the service motto "**Sincere - Thoughtful - Professional,**" Sacombank emphasized importance not only on modern facilities and streamlined processes but also on the human element - the core driver of sustainable success. The Bank firmly believes that delivering the best customer experience requires a high-quality workforce that is not only professionally competent but also dedicated and responsible.



ENHANCING DIGITAL EXPERIENCES AND CONVENIENT TRANSACTIONS

Recognizing technology and digitalization as strategic pillars, in 2024 Sacombank made significant investments in technology infrastructure, leveraging artificial intelligence and big data to enhance services and optimize operations. One of the most notable achievements was the launch of a next-generation customer service Call Center, positioning Sacombank as a pioneer in integrating Voice AI into customer support.

The next-generation Call Center enabled staff to handle 500 additional calls per day, along with over 2,500 self-service card-related inquiries from customers, accommodating a 27% increase in call volume compared to 2023. This represents a major step forward in Sacombank's goal of achieving a 100% call connection rate. The Voice AI assistant quickly identifies customer needs via keywords and delivers accurate responses with a natural, human-like tone. Customers can now complete interactions entirely through voice commands, eliminating the need for manual key selection. Additionally, self-service features for card-related inquiries have also helped reduce the workload on call center agents, enhancing overall efficiency.

In addition to the existing toll-free consultation hotline 1800 5858 88, the Sacombank Call Center continues to serve as an increasingly accessible and effective support channel for customers - particularly in urgent situations.

As the "bridge" between the Bank and its customers, the Call Center team plays a critical role in maintaining strong customer relationship. In recognition of this, Sacombank prioritizes comprehensive training in soft skills and product knowledge to enhance service quality and customer satisfaction, striving toward a "no missed calls" standard. Internal surveys conducted over the past year reported a 99.4% customer satisfaction rate with Sacombank's Call Center services.

Despite challenges at both global and domestic levels, Sacombank remains steadfast in its commitment to delivering the highest quality products, services, and customer experiences. The philosophy of a "comprehensive experience" will continue to evolve and be refined in alignment with changing market demands and customer expectations.

Digitalized operational procedures
have been implemented across

560

transaction points

▼40%

cutting transaction times



HUMAN CAPITAL DEVELOPMENT AND CORPORATE CULTURE AT SACOMBANK

Throughout the development journey, Sacombank has consistently recognized that people are its most valuable asset - the foundation that distinguishes the bank apart and ensures sustainable success. Sacombank takes pride in being a pioneer in cultivating a highly capable, innovative, and responsible workforce, fully prepared to navigate the challenges of a dynamic and competitive market.



Corporate culture serves as the bond that connects, inspires, and fosters shared values, uniting all members toward common goals. Sacombank is committed not only to creating a professional working environment but also to cultivating a strong cultural foundation where core values are embraced and promoted. This synergy between human capital and corporate culture has been a key driver of Sacombank's remarkable achievements over the past year.



Best Companies to Work for in Asia
Voted by HR Asia

A PROFESSIONAL AND SUPPORTIVE WORK ENVIRONMENT

With a people-centric HR strategy, Sacombank has cultivated a working environment that balances professional responsibilities with personal well-being. Internal surveys conducted in 2024 revealed exceptional employee satisfaction across three dimensions: Core, Self, and Group. Notably, the Happiness at Work Index exceeded 90%, reflecting the Bank's dedication to employee welfare. These efforts have earned Sacombank prestigious accolades for the fourth consecutive year, including honors such as "Best Companies to Work for in Asia" and "Most Caring Company Award" from HR Asia.

Sacombank is committed to nurturing a diverse and inclusive workplace. The gender ratio remains balanced at 51.6% male and 48.4% female, with a dynamic mix of professionals from Gen X, Y, and Z. The Bank's corporate culture not only embraces diversity but also fosters intergenerational collaboration, reinforcing values such as resilience, integrity, innovation, and a relentless drive for progress.



COMPREHENSIVE TRAINING SYSTEM

The year 2024 marked a transformative shift in Sacombank's learning culture - evolving beyond traditional classroom based training at the Training Center to embrace continuous learning, anytime - anywhere.

Sacombank pioneered the development of a role-based training framework, which now serves as the foundation of its talent development strategy. This framework ensures that training programs are systematic, in-depth, and closely aligned with each role's requirements. Over 300 learning materials were developed, and dozens of employee-reviewed books contributed to a rich library for self-learning. The online learning management system (LMS) recorded 785,608 total learning hours, averaging 57 hours per employee. Remarkably, 100% of employees completed the role-based training framework - a testament to Sacombank's commitment to sustainable career development.

From the moment new employees join the Bank, they are provided with tailored training programs designed to help them quickly acquire the necessary knowledge and integrate effectively. Learning initiatives extend across all transaction points - including subsidiaries in Laos and Cambodia - and are supported by a network of 401 internal trainers and 108 mentors. These mentors play a pivotal role in equipping over 18,000 employees with the skills and knowledge needed for success.

In addition, Sacombank actively promotes innovative learning methods, including organization-wide competitions that encourage healthy competition and continuous learning. These initiatives not only enhance technical expertise and workplace skills but also significantly improve problem-solving abilities and customer service quality - key factors underpinning Sacombank's operational success.

HUMAN CAPITAL DEVELOPMENT AND CORPORATE CULTURE AT SACOMBANK (continued)

LEVERAGING INDIVIDUAL STRENGTHS AND CAREER GROWTH PATHWAYS

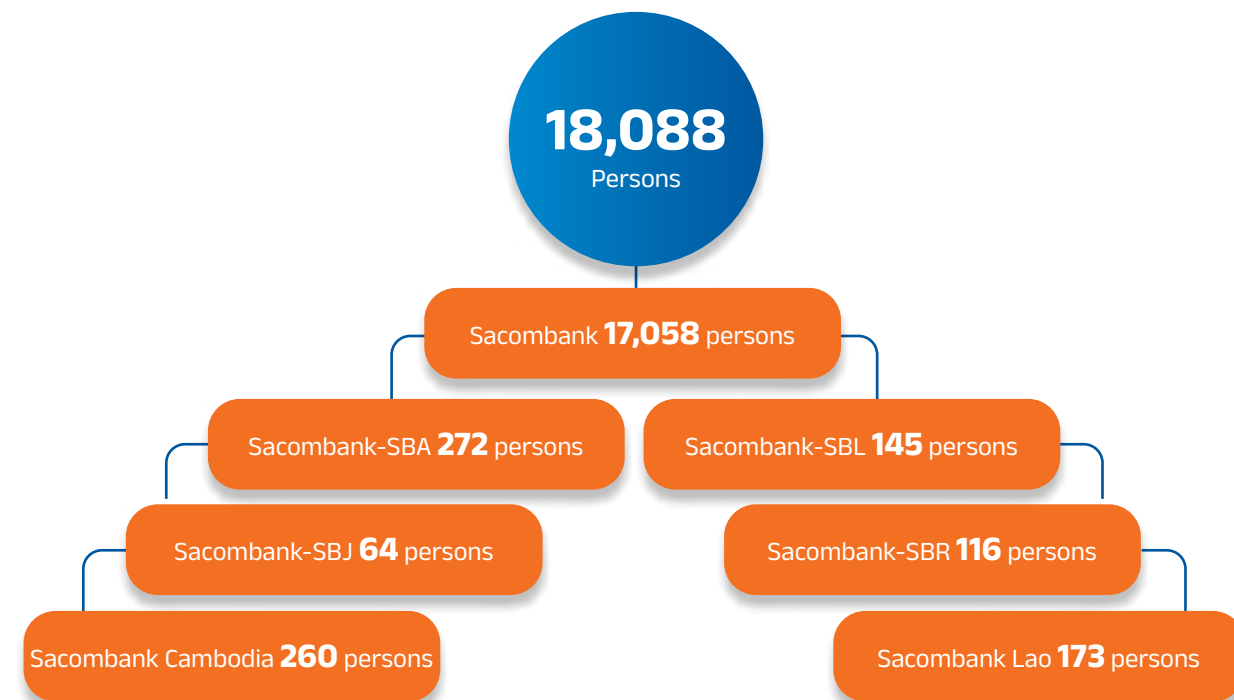
At Sacombank, 99% of management positions are filled through internal promotions - a strong reflection of the Bank's commitment to investing in internal talent and ensuring fairness in career advancement. Sacombank understands that building a leadership team from within preserves the corporate culture and cultivates leaders with a deep understanding of the Bank's values and strategic direction.

- The Bank has established a clear employee promotion roadmap and a long-term development plan. Each employee is encouraged to actively shape their own development journey, with support and guidance from direct managers. Moreover, the implementation of digital platforms, such as the SAP SuccessFactors system, allows for transparent tracking of performance and development progress. A digital library integrated within the training system provides employees

with on-demand access to educational resources to continually enhance their capabilities.

- SAP SuccessFactors helps Sacombank effectively monitor employee performance and identify potential leaders. This enables the Bank to design targeted development programs and advanced training modules, helping employees strengthen their professional competencies, build middle management capacity, and prepare for future leadership roles.

Sacombank's human capital development strategy, supported by comprehensive training initiatives and a healthy corporate culture, reaffirms the Bank's unwavering commitment to building a high-quality, people-centric workforce. This focus has become a key driver of Sacombank's long-term sustainability and competitive advantage.

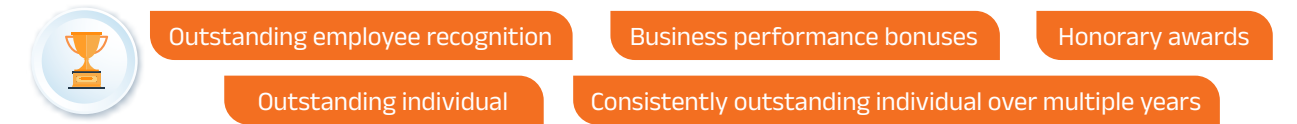


Workforce numbers (as of 31 December 2024)

NOTABLE HR POLICIES

REWARD AND RECOGNITION POLICIES

- Annual periodic bonuses
- Individual achievement awards based on year-end performance evaluations



- Collective achievement awards based on year-end performance evaluations
- Other bonuses, including rewards for achieving or exceeding business targets (where applicable)
- Sacombank Talent Recognition Awards

TRAINING AND CAREER DEVELOPMENT PROGRAMS



- Annual training programs for various job titles and levels (both online and offline)
- Successor and potential management development programs
- "Accelerated Development - Fast-Track Career Advancement"** Program, **"Leadership Seed"** Training Program

EMPLOYEE WELFARE ACTIVITIES

- New Year greetings, lucky money, and opening day gatherings
- Annual health check-ups and medical consultations for employees
- Annual domestic and international vacation trips for all employees
- Annual sports, cultural events, and employee clubs: Running, Yoga, Tennis, Dance
- Gifts and celebrations for female employees on International Women's Day (8 March)
- Gifts for employees' children on International Children's Day
- Comprehensive insurance coverage including health, accident, and life insurance



SPECIAL BENEFITS AT SACOMBANK

(Beyond Legal Entitlements)

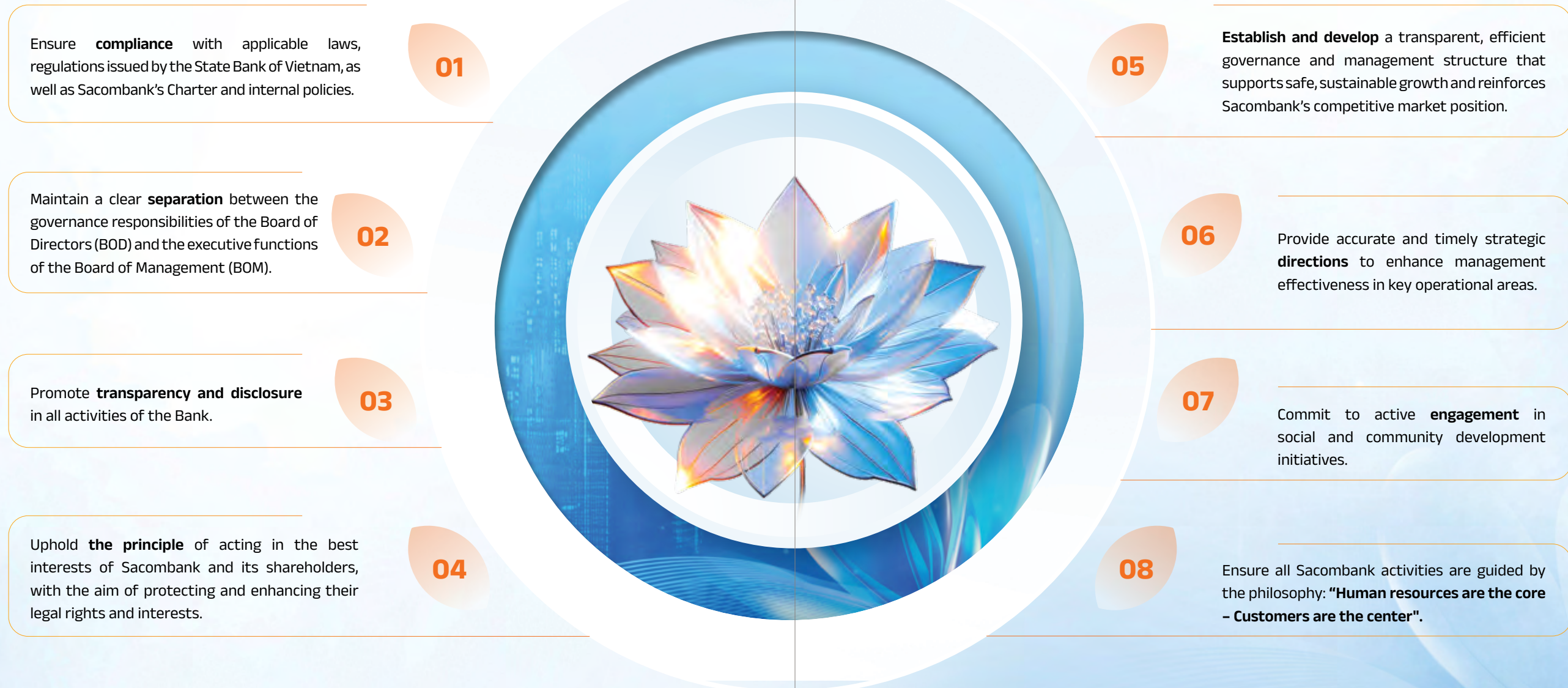
Leave Policies	Paid leave days
Marriage leave for employees marrying within Sacombank	5 days
Leave for hospitalization of parents, spouse, or children (once per year)	≥2 days
Bereavement leave for the passing of grandparents, siblings, or in-laws	1 day
Paternity leave for employees whose spouse gives birth	1 day
Special vacation trips for outstanding employees	3 days
Preferential loan policies for employees	
Priority in purchasing liquidated assets	



3 CORPORATE GOVERNANCE REPORT

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KEY PRINCIPLES IN SACOMBANK'S GOVERNANCE MODEL



BOARD OF DIRECTORS REPORT

REPORT ON THE IMPLEMENTATION OF THE AGM RESOLUTION FOR FISCAL YEAR 2024

Despite numerous challenges - such as the prolonged downturn and lack of recovery in the real estate market, rising non-performing loans, latent risks due to increasing market uncertainties, and the enforcement of new legal regulations - Sacombank successfully fulfilled the financial targets set by the General Meeting of Shareholders. This accomplishment was made possible through the consistent strategic direction of the Board of Directors (BOD), the oversight of the Board of Supervisors (BOS), and the dedication and responsibility demonstrated by the Board of Management (BOM) and all employees across organization.

Targets	2024 Plan	2024 Actual	Completion Rate (Actual/Plan)
 Total assets	724,100 billion VND	748,095 billion VND	103%
 Total mobilization	636,600 billion VND	674,794 billion VND	106%
 Total credit	535,800 billion VND	539,315 billion VND	101%
 NPL ratio	≤ 2%	2.08%	
 Profit before tax	10,600 billion VND	12,720 billion VND	120%

MEETINGS



In 2024, the BOD convened eight periodic in-person meetings. Additionally, the Chairman conducted 125 written opinions with Board members to make decisions on matters related to the Bank's governance, and to issue Regulations, Resolutions, Decisions, and Directives. These efforts aimed to maintain system stability and fulfill the financial plans and tasks assigned by the General Meeting of Shareholders, in accordance with the law and Sacombank's Charter.

All meetings were held in a spirit of diligence, constructive engagement, and transparency, with open discussions among the BOD, BOS, and BOM to formulate optimal governance and operational policies. Resolutions, directives, and conclusions adopted in these meetings were issued and delegated to the CEO for implementation in compliance with relevant regulations.

BOARD OF DIRECTORS REPORT (continued)

MEETINGS (continued)

Date	Main content
02/02/2024	<ul style="list-style-type: none"> ◆ Report on business performance for 2023 and January 2024. ◆ Present cost estimates for the Retail LOS project. ◆ Approve phased asset handover based on the payment progress of the Phong Phu Industrial Zone project. ◆ Address other matters within the Board's authority.
26/03/2024	<ul style="list-style-type: none"> ◆ Report on Q1 2024 business performance. ◆ Present network expansion plan for 2024–2028, with a long-term vision toward 2030. ◆ Propose senior personnel appointments. ◆ Propose a plan to increase the charter capital of Sacombank-SBL from equity to supplement documents for State Bank approval. ◆ Approve the agenda and materials for the 2023 Annual General Meeting of the Shareholders Committee.
28/06/2024	<ul style="list-style-type: none"> ◆ Report on business operations for the first half of 2024. ◆ Propose interest relief measures for Phu My Joint Stock Company. ◆ Present amendments to credit approval authorities under the 2024 Law on Credit Institutions: <ul style="list-style-type: none"> • Credit approval authority of the Board of Directors and Credit Committee. • Approve revisions to Credit Policy Regulations. ◆ Propose changes to the Bank's organizational structure. ◆ Report on operations and personnel updates of Sacombank Lao.
07/08/2024	<ul style="list-style-type: none"> ◆ Propose credit approval for the Bac Lieu Mixed Ecological Tourism Urban Area Project. ◆ Approve collective bonuses for achieving 2024 milestone targets.
03/10/2024	<ul style="list-style-type: none"> ◆ Report on business operations for the first 9 months of 2024. ◆ Propose upgrade of the Core Banking T24 system from version R17 to R24. ◆ Report on personnel operations. ◆ Approve credit transactions with: <ul style="list-style-type: none"> • Thai Tuan Group Joint Stock Company. • CNC Technology Solutions Joint Stock Company.

Date	Main content
11/10/2024	<ul style="list-style-type: none"> ◆ Approve contracts and credit transactions with: <ul style="list-style-type: none"> • Tan Long Investment and Development Joint Stock Company. • Song Huy Commercial Construction Investment Company Limited. • Hong Ngan Construction Investment Company Limited.
07/11/2024	<ul style="list-style-type: none"> ◆ Approve credit and transaction contracts with Long An Port Joint Stock Company. ◆ Approve debt resolution proposals: <ul style="list-style-type: none"> • Sale of Phuc Long Joint Stock Company's debt to DATC - HCM at market value. • Resolution of a stock repo transaction for customer Tran Ngoc Henri. ◆ Approve the selection of an independent audit firm for Sacombank Cambodia for 2024. ◆ Approve the establishment of Representative Office No.2 in Hanoi. ◆ Approve progress updates on the 2024 Annual General Meeting of the Shareholders Committee. ◆ Approve plan for the building at 266–268 Nam Ky Khoi Nghia Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City.
19/12/2024	<ul style="list-style-type: none"> ◆ Report 2024 business performance results, present the 2025 business plan, and propose initiatives: <ul style="list-style-type: none"> • 2024 bonus budget. • 2025 fixed asset investment budget. • 2025 government bond investment plan. • 2025 performance evaluation scoring framework. ◆ Approve the network restructuring plan through 2026. ◆ Propose amendments to the "Outstanding Sacombank Talent" recognition policy.



ISSUANCE OF RESOLUTIONS

Based on the content of meetings and written feedback from members of the Board of Directors, the Chairman has issued resolutions on behalf of the Board to provide strategic direction for the Bank's operations, as well as for its subsidiaries and subsidiary banks. These resolutions encompass areas such as credit approval, bad debt management, risk control, organizational restructuring, senior personnel appointments, and the issuance, amendment, or supplementation of legal documents to ensure compliance with evolving legal regulations. Other governance-related activities within the authority of the Board of Directors are also addressed through these resolutions.

BOARD OF DIRECTORS REPORT (continued)



ASSESSMENT OF THE BOARD OF DIRECTORS ON THE ACTIVITIES OF THE BANK, THE BOARD OF SUPERVISORS, AND THE BOARD OF MANAGEMENT

The Internal Inspection and Audit system conducted on-site audits at 206 transaction points and remote audits at 100% of all transaction points, as well as internal audits of subsidiaries and subsidiary banks.

The Internal Inspection and Audit system played a critical role in ensuring safe and effective operational control across the entire network.

The Board of Directors highly commended the efforts of the Board of Supervisors and relevant units for successfully implementing the project of the internal audit program.

The Board also recognized the collective efforts of the Board of Management and all employees across the system, which contributed to Sacombank's strong business performance in 2024 - setting a solid foundation for the successful completion of the post-merger Restructuring Plan in 2025.



CORPORATE GOVERNANCE CERTIFICATION OF BOD MEMBERS

In accordance with Clause 8, Article 278 of Decree No. 155/2020/NĐ-CP dated 31 December 2020 issued by the Government, which regulates corporate governance training and the required competencies for Board members, the majority of Sacombank's Board of Directors have obtained Certificates of Completion of the Board Member Training Program issued by the Vietnam Institute of Directors.



ACTIVITIES OF COMMITTEES UNDER THE BOARD OF DIRECTORS

Sacombank's Board of Directors has restructured and established specialized committees in accordance with legal provisions and the guidance of Circular 13, particularly with reference to corporate governance best practices. These efforts aim to ensure that Sacombank's sustainable development goals and strategies are effectively achieved.



Human Resource Committee

Under the Human Resource Committee operates the High-level Reward and Discipline Council. In 2024, the Human Resource Committee convened 101 meetings to perform its prescribed functions and duties.

Functions and duties:

01

Advise the BOD on the structure and size of senior executive positions in alignment with the Bank's operational scale and sustainable development strategy.

02

Provide recommendations to the BOD on personnel matters related to the election, appointment, or dismissal of BOD and Board of Supervisors (BOS) members, and senior executives, in compliance with the laws and Sacombank's Charter.

03

Advise the BOD on issuing internal regulations related to salaries, remuneration, incentives, recruitment, training, and other benefits for senior executives and employees.

04

The High-level Reward and Discipline Council reviews and approves annual performance ranking results for individuals and departments under the BOD's authority and convenes when necessary to address labor disciplinary matters. Advise the BOD on the application of disciplinary measures and oversee the enforcement of regulations in the Bank's operations.

BOARD OF DIRECTORS REPORT (continued)



Risk Management Committee

In 2024, the Risk Management Committee convened 4 meetings to fulfill its assigned functions and responsibilities.

Functions and duties:

01

Propose and advise the BOD in overseeing the Board of Management (BOM) regarding the development and implementation of risk management frameworks.

02

Recommend the issuance of procedures, regulations, and policies within the Committee's authority in accordance with laws and Sacombank's Charter.

03

Analyze and provide early warnings on the Bank's risk exposure levels and recommend short and long-term preventive measures.

04

Evaluate the effectiveness of risk management procedures, regulations, and policies, and recommend necessary changes to enhance operational strategies.

05

Advise the BOD on decisions related to investments, risk management policies, and risk-handling measures under the Committee's scope.

06

Supervise the BOM's handling of deficiencies in risk management as required by the State Bank of Vietnam, independent auditors, and other regulatory authorities.



Anti-Corruption, Crime, and Money Laundering Committee

The prevention of corruption and money laundering remains a critical responsibility for credit institutions. At Sacombank, the Anti-Corruption, Crime, and Money Laundering Committee has made ongoing efforts to establish a robust legal framework and implement an effective governance system. In 2024, the Committee convened 2 meetings.

Functions and duties:

01

Define strategic objectives, design action plans, and establish organizational measures to combat and prevent corruption, crime, and money laundering in compliance with Vietnamese and international regulations.

02

Monitor and supervise anti-corruption, crime prevention, and anti-money laundering activities across the organization.

03

Receive, verify, and compile information on misconduct, corruption, and legal violations - particularly focusing on economic crimes and business risks - identified through inspections, complaints, denunciations, media reports, and referrals from legal authorities.

04

Research, propose, and report to the BOD on strategies to address misconduct, and recommend solutions to strengthen the effectiveness of anti-corruption and crime prevention measures.

05

Safeguard customers, the Bank, and its employees from becoming victims or unintentionally participating in money laundering activities.

BOARD OF DIRECTORS REPORT (continued)



Overall in 2024, the Committees continued to operate actively and effectively, fulfilling their advisory roles to support the BOD in performing its statutory functions and responsibilities. They also provided timely support to the BOM in operations and risk management.

The Committees operated based on clearly defined regulations and guidelines, which were publicly communicated across the entire system to ensure transparency. In parallel, the Committees continuously reviewed, monitored, and improved governance frameworks within their mandates to ensure a clear distinction between the supervisory role of the BOD and the executive management functions of the BOM.

POSITIONS OF BOD MEMBERS AT OTHER COMPANIES

Member of BOD	Position at Sacombank	Position at Other Companies
Mr. Pham Van Phong	Vice Chairman	Member of BOD - Tam Long Power JSC
Mr. Nguyen Xuan Vu	Member of BOD	Vice Chairman - Vgroup JSC
Mr. Phan Dinh Tue	Member of BOD	Chairman - Bamboo Airways JSC Vice Chairman - Nguyen Hoang Group
Mr. Vuong Cong Duc	Independent member of BOD	Chairman - Ba Ria - Vung Tau International Tourist Services JSC Member of BOD - Vung Tau Paradise Joint Venture Company
Ms. Pham Thi Thu Hang	Independent member of BOD	Member of the Member's Council - Shining Sun Social Co., Ltd

BOD'S STRATEGIC ORIENTATION FOR SACOMBANK'S ACTIVITIES IN 2025

Achieve the financial targets set at the 2024 Annual Meeting of the Shareholders Committee.

Focus strongly on restructuring the Bank's network, including regions, branches, and transaction offices; reallocate personnel who lack professional qualifications or managerial capabilities to improve operational efficiency, productivity, and Sacombank's overall reputation.



Appropriately reassign, resolve, or rotate managerial staff at underperforming units that deliver weak, average, or suboptimal business results.

Closely oversee the progress of digital transformation initiatives and IT projects to ensure timely completion and effective implementation.

Vigorously address bad debts and reduce the NPL ratio to below 3%, forming a solid foundation for seeking the State Bank's approval to complete the post-merger restructuring plan.

BOARD OF SUPERVISORS REPORT

BOS'S MEETINGS



In 2024, the Board of Supervisors (BOS) held 9 meetings, including in-person sessions and written consultations. All BOS members were fully present, actively engaged in discussions, contributed opinions, and unanimously approved matters within their functions and responsibilities.

Attendance of the BOS Members in 2024

No.	BOS Member	Meetings/Written Opinions	Attendance Percentage (%)	Voting Percentage (%)
1	Mr. Tran Minh Triet	9	100	100
2	Ms. Ha Quynh Anh	9	100	100
3	Mr. Nguyen Van Thanh	9	100	100
4	Mr. Lam Van Kiet	9	100	100

SUMMARY OF MEETING AGENDAS

No.	Date	Main Content
1	02/02/2024	Approved matters related to the 2023 internal control system and oversight of Internal Audit
2	20/03/2024	Approved BOS reports for submission to the 2023 AGM
3	27/03/2024	Approved the appointment of Internal Audit personnel
4	19/09/2024	Approved the resignation of Internal Audit personnel
5	06/11/2024	Approved the proposed independent auditor for Sacombank Cambodia in 2024
6	20/11/2024	Approved adjustments to the 2024 Internal Audit Plan
7	12/12/2024	Approved the proposed independent auditor for Sacombank in 2025
8	12/12/2024	Approved the 2025 Internal Audit Plan
9	19/12/2024	Approved reappointments within Internal Audit and reviewed the 2024 Internal Audit Report

BOARD OF SUPERVISORS REPORT (continued)

BOS PERFORMANCE IN 2024

The Board of Supervisors fulfilled its duties in accordance with the Law on Credit Institutions, Sacombank's Charter, and its Operating Regulations. All members performed their duties diligently. Key activities included:

- 01 Oversaw Sacombank's governance and operations to ensure compliance with applicable laws, internal policies, the Charter, and resolutions/decisions of the Shareholders Committee and BOD.
- 02 Supervised the implementation of the Restructuring Plan as approved by the State Bank.
- 03 Reviewed Sacombank's financial status and audited financial statements for H1 and FY2024, using KPMG reports, internal audit data, and oversight findings.
- 04 Supervised the approval and execution of investment projects, asset transactions, and contracts under the authority of the Shareholders Committee and BOD.
- 05 Recommended the selection of an independent auditor for 2025, ensuring compliance with regulatory requirements.
- 06 Monitored compliance with Chapter VII of the Law on Credit Institutions regarding operational safety.
- 07 Monitored major shareholders, BOD/BOS members, the CEO, and related parties with assistance from the Equity Management Team.
- 08 Proposed amendments to BOS Operating Regulations to align with the 2024 Law on Credit Institutions.



- 09 Directed the development of IT solutions to improve audit and inspection quality - successfully implemented as of 2 December 2024.
- 10 In compliance with Circular 13/2018/TT-NHNN and internal guidelines, the BOS oversaw Internal Audit activities:
 - ◆ Internal Audit fully executed the 2024 Audit Plan, including on-site audits at 7 branches, 35 transaction offices, 1 subsidiary bank, and 7 thematic audits at Head Office. A special review of credit card usage and payment operations was also conducted. Monthly remote audits were conducted via MIS data, using a checklist of 76 criteria.
 - ◆ Audit results were shared promptly with the BOD, BOS, CEO, and relevant units, offering risk mitigation and operational improvement recommendations.
- 11 The BOS maintained close coordination with the BOD, BOM, and relevant departments, in accordance with regulations of the State Bank and Sacombank's internal policies.

BOARD OF SUPERVISORS REPORT (continued)

BUSINESS SUPERVISION REPORT OF THE BOS

Based on its 2024 oversight, the BOS evaluated Sacombank's operations as follows:

01

Monitoring compliance with legal regulations and Sacombank's Charter in the Bank's governance and management: The Board of Directors and the CEO have performed their management and executive roles in accordance with their functions, duties, and authorities as defined in the Bank's Charter, internal governance regulations, and the BOD's organizational and operational rules.

- ♦ The BOD effectively exercised its oversight and strategic leadership role by promptly translating the directives and policies of the State Bank of Vietnam and the resolutions of the General Meeting of Shareholders into concrete actions. This was accomplished through the issuance of resolutions, decisions, and directives that established strategic orientations, set business targets, and defined key priorities across the entire Sacombank system. In addition, the Board provided timely and consistent guidance to the BOM in steering the Bank's operations and worked in close coordination with the BOS to ensure effective oversight of the Bank and its subsidiaries. The Board also ensured that the implementation of the Restructuring Plan adhered strictly to the roadmap approved by the State Bank.
- ♦ The BOM exerted dedicated efforts across all areas of business operations, closely adhering to the resolutions of the General Meeting of Shareholders and rigorously implementing the directives and resolutions of the BOD. The Board also initiated a series of key programs and projects aimed at enhancing the quality of banking services, strengthening organizational and human resource structures, and accelerating the Bank's digital transformation strategy. Clear delegation of authority, assignment of responsibilities, and internal coordination among Board members ensured seamless, secure, and efficient operations throughout the system.

02

Sacombank consistently reinforced its internal control system, maintaining three independent lines of defense in accordance with Circular 13 issued by the State Bank of Vietnam. This framework is designed to proactively control, prevent, detect, and promptly address risks, thereby ensuring the achievement of operational objectives. All business functions are subject to robust control mechanisms and are executed in compliance with Sacombank's internal regulations, processes, and procedures. Overall, the Bank's internal regulatory framework is comprehensive and is regularly reviewed, updated, and refined to ensure alignment with the requirements of the State Bank and applicable laws. In 2024, Sacombank undertook an organizational restructuring initiative aimed at building a "Streamlined – Standardized – Professional" structure. This transformation was intended to optimize the Bank's organizational model, accelerate process digitization, enhance efficiency and labor productivity, and ultimately improve customer service quality.

03

Sacombank strictly complied with the State Bank of Vietnam's regulations on operational limits and prudential ratios. The Bank publicly disclosed its Capital Adequacy Ratio (CAR) as of 30 June 2024 and 31 December 2024 on its official website, ensuring transparency, accountability, and convenient access for all relevant stakeholders.

DIRECTION OF BOS IN 2025

In alignment with Sacombank's strategic development orientation, legal obligations, and the Bank's commitment to strengthening its governance and internal control framework, the BOS will continue to focus on the following objectives 2025:

1 Strengthen control measures and enhance oversight of compliance with legal regulations and Sacombank's Charter in the governance and management of the Bank, as well as the implementation of resolutions of the Shareholders Committee and the BOD.

2 Monitor the implementation of the Restructuring Plan as approved by the State Bank of Vietnam.

3 Propose and recommend to the Shareholders Committee and the BOD the selection of an independent auditing firm for 2026; Supervise the financial status and review Sacombank's financial statements in accordance with regulations.

4 Direct and supervise Internal Audit at a high level, focusing on the following:

Implement the 2025 Internal Audit Plan and prepare the 2026 plan.

Promote and enhance the effectiveness of both on-site and remote audits through proper management, supervision, training, and the application of information technology.

Review and refine internal documents related to the BOS and Internal Audit activities.

Strengthen human resources within the Internal Audit function.

5 Focus on the review and assessment of potential risks across the Bank's operations to facilitate the timely development of appropriate risk management measures by the BOD and the BOM.

6 Undertake additional responsibilities within its legal mandate as stipulated by the Law on Credit Institutions, Sacombank's Charter, and internal regulations to achieve the set objectives.

LIST OF SHARES OWNED WITH VOTING RIGHTS OF BOD, BOS, AND BOM MEMBERS

No.	Full name	Position	Number of shares owned as of 31 December 2024
Member of BOD			
1	Mr. Duong Cong Minh	Chairman	62,569,075
2	Ms. Nguyen Duc Thach Diem	Standing Vice Chairwoman cum CEO	76,320
3	Mr. Pham Van Phong	Vice Chairman	19,680
4	Mr. Nguyen Xuan Vu	Member	833
5	Mr. Phan Dinh Tue	Member	142,895
6	Ms. Pham Thi Thu Hang	Independent member	0
7	Mr. Vuong Cong Duc	Independent member	0
MEMBER OF BOS			
1	Mr. Tran Minh Triet	Chief Supervisor	0
2	Ms. Ha Quynh Anh	Member	5,828
3	Mr. Nguyen Van Thanh	Member	0
4	Mr. Lam Van Kiet	Member	66
MEMBER OF BOM & CHIEF ACCOUNTANT			
1	Ms. Nguyen Thi Kim Oanh	Deputy CEO	0
2	Mr. Nguyen Minh Tam	Deputy CEO	14,739
3	Ms. Quach Thanh Ngoc Thuy	Deputy CEO	101
4	Mr. Dao Nguyen Vu	Deputy CEO	52,331
5	Mr. Nguyen Ba Tri	Deputy CEO	7
6	Mr. Ho Doan Cuong	Deputy CEO	7,126
7	Mr. Le Duc Thinh	Deputy CEO	0
8	Mr. Ha Van Trung	Deputy CEO	10,000
9	Mr. Hoang Thanh Hai	Deputy CEO	76,315
10	Mr. Huynh Thanh Giang	Chief Accountant	48,562
Total			63,023,878

INVESTMENTS IN OTHER ENTITIES

No.	Issuer	Number of Shares	Capital contribution value, purchase of shares at par value	Ownership Percentage (%)
1	Mai Linh Group Corporation	60,000	600,000,000	0.05%
2	AAA Insurance JSC	632,280	6,322,800,000	0.56%
3	Banking Skills Training & Consultancy JSC	63,826	638,260,000	5.29%
4	National Payment Corporation of Vietnam	500,000	5,000,000,000	1.60%
5	Quang Binh Tourist JSC	63,000	630,000,000	2.10%
6	Kien Giang Tourist JSC	880,000	8,800,000,000	10.14%
7	Vietnam Credit Information JSC	318,182	3,181,820,000	2.65%
8	Saigon Vinh Long Tourist JSC	150,000	1,500,000,000	1.00%
9	Dong Tam JSC (Long An)	741,000	7,410,000,000	0.74%
10	Society for Worldwide Interbank Financial Telecommunication (SWIFT)	17	-	-
11	S.P.M Corporation	1,041,500	10,415,000,000	7.44%
12	Nam Do Commercial Joint Stock Bank (*)	5,040	5,040,000,000	16.35%

* Currently implementing procedures in accordance with the guidelines of the State Bank



REMUNERATION AND BENEFITS

SALARIES, BONUSES, REMUNERATION, OTHER BENEFITS, AND EXPENSES FOR MEMBERS OF BOD, BOS, AND BOM

Full name	Position	VND million
BOARD OF DIRECTORS		
Mr. Duong Cong Minh	Chairman	8,750
Ms. Nguyen Duc Thach Diem	Standing Vice Chairwoman	1,838
Mr. Nguyen Van Phong	Vice Chairman	5,775
Mr. Nguyen Xuan Vu	Member	4,375
Mr. Phan Dinh Tue	Member	4,812
Mr. Vuong Cong Duc	Independent member	3,500
Ms. Pham Thi Thu Hang	Independent member	3,500
BOARD OF SUPERVISORS		
Mr. Tran Minh Triet	Chief Supervisor	4,375
Mr. Nguyen Van Thanh	Member	3,500
Mr. Lam Van Kiet	Member	3,500
Ms. Ha Quynh Anh	Member	3,500
BOARD OF MANAGEMENT		
Average income/month of BOM of the Bank and its subsidiaries during the year was VND 260 million/person.		
Income of General Director during the year was VND 12,937 million.		

SHARE TRANSACTIONS OF INSIDERS

In 2024, there were no share transactions involving members of the BOD, BOS, BOM, or their related persons that were subject to disclosure under applicable legal regulations.

SHARE TRANSACTIONS OF MAJOR SHAREHOLDERS

28 March 2024

No.	Transaction Conducted By	Relationship with Sacombank	Beginning Number of Shares		Number of shares as of 28 March 2024		Transaction Quantity (Buy/Sell)
			Number of Shares	Percentage	Number of Shares	Percentage	
1	PYN ELITE FUND (NON-UCITS)	Major shareholders	94,149,600	4.99%	98,149,600	5.21%	Buy 4,000,000

31 December 2024

No.	Transaction Conducted By	Relationship with Sacombank	Number of shares as of 28 March 2024		Ending Number of Shares		Transaction Quantity (Buy/Sell)
			Number of Shares	Percentage	Number of Shares	Percentage	
1	PYN ELITE FUND (NON-UCITS)	Major shareholders	98,149,600	5.21%	126,622,900	6.72%	Buy 28,473,400

RELATED PARTY TRANSACTIONS

Related party transactions refer to all transactions conducted with entities that have a relationship with the Bank and its subsidiaries. Parties are considered related when one party has the ability to control or significantly influence the other party in making financial and operational decisions.

Balances at the end of the year

	31/12/2024 (VND million)	31/12/2023 (VND million)
Members of the Group's BOD, BOS, and BOM		
Loans	87,449	164,431
Deposits	(277,317)	(241,365)
Certificates of deposit	(1,310)	(1,960)
Other receivables	311	1,273
Other payables	(2,393)	(7,544)
Related parties of members of the Group's BOD, BOS, and BOM		
Loans	4,031,507	4,020,196
Deposits	(262,764)	(271,632)
Certificates of deposit	(21,882)	(20,170)
Other receivables	24,720	25,025
Other payables	(5,377)	(8,562)

Transactions during the year

	2024 (VND million)	2023 (VND million)
Members of the Group's BOD, BOS, and BOM		
Interest income from loans/deposits	2,654	6,800
Interest expense on borrowings/deposits	(12,087)	(21,964)
Fee and commission income	62	151
Post-tax income of members of the BOD	(53,129)	(44,182)
Post-tax remuneration of members of the BOS	(17,340)	(16,994)
Post-tax remuneration of members of the BOM	(88,746)	(101,507)
Related parties of members of the BOD, BOS, and BOM		
Loans disbursed	3,848,495	231,758
Interest income from loans	311,870	327,765
Interest expense on deposits	(12,809)	(17,494)
Fee and commission income	7,007	15,777
Other operating expenses	(3,165)	(2,485)

RIGHTS AND RESPONSIBILITIES OF SHAREHOLDERS



Rights of Shareholders

Sacombank has strictly complied with all shareholder rights as stipulated in Article 25 of Sacombank’s Charter and other applicable legal regulations. At the 2023 Annual General Meeting, all shareholders were ensured the right to attend, vote, and provide opinions either in person or by sending letters to the Organizing Committee, thereby fully exercising their lawful rights - especially the right to equal treatment and access to complete and timely information.

Communication with Shareholders

In addition to addressing questions at the 2023 AGM held on 26 April 2024, Sacombank directly engaged with nearly 100 shareholders at its Head Office to handle requests related to the inheritance transfer of STB share ownership and to update shareholder information. Furthermore, Sacombank responded to shareholder inquiries regarding dividends and share-related matters via phone and email, providing guidance on the relevant procedures.

Organization of the AGM

In 2024, Sacombank successfully held the 2023 AGM in the format of an on-site meeting combined with electronic voting at White Palace (194 Hoang Van Thu Street, Ward 9, Phu Nhuan District, Ho Chi Minh City).



SHAREHOLDER STRUCTURE

NUMBER OF OUTSTANDING SHARES

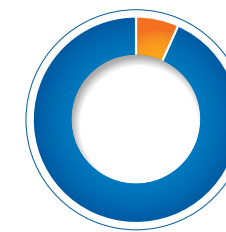


1,885,215,716
shares

SHAREHOLDER STRUCTURE

Criteria	Number of Shareholders	Number of Shares	Percentage of Shares
Major and Minority Shareholders			
Major Shareholders	1	126,622,900	6.72%
Minority Shareholders	66,469	1,758,592,816	93.28%
Individual and Institutional Shareholders			
Individual Shareholders	66,130	1,268,772,976	67.30%
Institutional Shareholders	340	616,442,740	32.70%
Domestic and Foreign Shareholders			
Foreign Shareholders	905	443,845,019	23.54%
Domestic Shareholders	65,565	1,441,370,697	76.46%
State-owned and Other Shareholders			
State-owned Shareholders	3	81,675	0.004%
Other Shareholders	66,467	1,885,134,041	99.996%

(Based on the list provided by the Vietnam Securities Depository and Clearing Corporation as of 31 December 2024)



Major and Minority Shareholders

- Minority Shareholders
- Major Shareholders



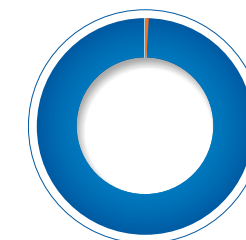
Individual and Institutional Shareholders

- Individual Shareholders
- Institutional Shareholders



Domestic and Foreign Shareholders

- Foreign Shareholders
- Domestic Shareholders



State-owned and Other Shareholders

- State-owned Shareholders
- Other Shareholders

STATEMENT OF CHANGES IN OWNERS' EQUITY

31/12/2023

VND **45,734** billion

31/12/2024

VND **54,972** billion

TREASURY SHARE TRANSACTIONS

Since 27 July 2021, Sacombank has not held any treasury shares, nor has it issued any.

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INDEPENDENT LIMITED ASSURANCE STATEMENT ON SELECTED SUBJECT MATTERS IN SUSTAINABILITY REPORT

Reference: 11635452/68161458/2024

To: *The Shareholders of Saigon Thuong Tin Commercial Joint Stock Bank*

CONCLUSION

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the selected subject matters as specified below and presented in Saigon Thuong Tin Commercial Joint Stock Bank's Sustainability Report for the year ended 31 December 2024, in order for it to be in accordance with the Criteria defined below.

SCOPE

Ernst & Young Vietnam Limited ("EY" or "We") was engaged by Saigon Thuong Tin Commercial Joint Stock Bank ("the Bank") to perform a 'limited assurance engagement', as defined by International Standards on Assurance Engagements ("ISAE") 3000 Revised, Assurance Engagements other than Audits or Review of Historical Financial Information on selected Subject Matters ("Subject Matter") included in the Bank's Sustainability Report for the year ended 31 December 2024 ("SR2024").



SUBJECT MATTERS

Our limited assurance engagement was performed for the Subject Matter listed in the table below, as presented in SR2024:

MATERIAL MATTER	GRI STANDARDS DISCLOSURE	SUBJECT MATTER	SCOPE
Employees	GRI 2-7	a. Total number of employees, and a breakdown of this total by gender and by region; b. Total number of: › Official employees, and a breakdown by gender and by region; › Probationary employees, and a breakdown by gender and by region; › Internee, and a breakdown by gender and by region.	Saigon Thuong Tin Commercial Joint Stock Bank
New employee hires and employee turnover	GRI 401-1	a. Number and rate of new employee hires during the reporting period, by age group, gender and region. b. Number and rate of employee turnover during the reporting period, by age group, gender and region.	Saigon Thuong Tin Commercial Joint Stock Bank
Parental leave	GRI 401-3	a. Number of employees that took parental leave, by gender. b. Number of employees that returned to work in the reporting period after parental leave ended, by gender. c. Number of employees who returned to work after parental leave ended and continued to work for 12 months during the reporting period, by gender; d. Percentage of employees who returned to work during the reporting period after parental leave ended; e. Percentage of employees who returned to work after parental leave ended and continued to work for 12 months during the reporting period.	Saigon Thuong Tin Commercial Joint Stock Bank
Performance process assessment	GRI 404-3	Percentage of employees receiving regular performance and career development reviews during the reporting period, by gender and employee category.	Saigon Thuong Tin Commercial Joint Stock Bank
Diversity of governance bodies and employees	GRI 405-1	a. Percentage of individuals within the organization's governance bodies in each of the following diversity categories: › Gender; › Age group: under 30 years old, 30-50 years old, over 50 years old; b. Percentage of employees per employee category in each of the following diversity categories: › Gender; › Age group: under 30 years old, 30-50 years old, over 50 years old.	Saigon Thuong Tin Commercial Joint Stock Bank

The scope of our work was limited to the Subject Matter presented in the SR2024 and did not include coverage of data sets or information unrelated to the data and information underlying the Subject Matter and related disclosures; nor did it include information reported outside of the SR2024, comparisons against historical data, or management's forward-looking statements.

INDEPENDENT LIMITED ASSURANCE STATEMENT ON SELECTED SUBJECT MATTERS IN SUSTAINABILITY REPORT

Reference: 11635452/68161458/2024

CRITERIA APPLIED BY THE BANK

In preparing the Subject Matter mentioned above, the Bank applied following Criteria:

- Global Reporting Initiative Sustainability Reporting Standards ('GRI Standards')
- The Bank's relevant policies and procedures

THE BANK'S RESPONSIBILITIES

The Board of Management of the Bank is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

EY'S RESPONSIBILITIES

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000') as issued by the International Auditing and Assurance Standard Board, and the terms of reference for this engagement as agreed with the Bank on 24 February 2025. Those Standards require that we plan and perform our engagement to express a conclusion on whether we are aware of any material modifications that need to be made to the Subject Matter in order for it to be in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgement, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

OUR INDEPENDENCE AND QUALITY MANAGEMENT

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants and have the required competencies and experience to conduct this assurance engagement.

We also apply International Standard on Quality Management 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services engagements, which requires that we design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

DESCRIPTION OF PROCEDURES PERFORMED

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the

nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

Our procedures included:

- Gaining an understanding of the Bank's business, internal processes and approach to sustainability;
- Conducting interviews with key personnel and collating evidence to understand the Bank's process for reporting Subject Matter and disclosures, including inquiring regarding risks of misstatement and quality controls to address risks;
- Understanding policies and procedures of the Bank that are relevant to the Subject Matter;
- Conducting limited assurance procedures over the Subject Matter and disclosures, including:
 - Undertaking analytical procedures to support the reasonableness of the metric data;
 - Checking that the calculation Criteria have been applied as per the methodologies for the Subject Matter within the report;
 - Identifying and testing assumptions supporting calculations;
 - Testing, on a sample basis, underlying source information to check accuracy of the metric data; and
 - Performing recalculations of performance metrics using input data.

We also performed such other procedures as we considered necessary in the circumstances.

INHERENT LIMITATIONS

Inherent limitations of limited assurance engagement include use of judgment and selective testing of data, which means that it is possible the fraud, error or non-compliance may occur and not be detected in the course of performing the engagement. Accordingly, there is some risk that a material misstatement of the Subject Matter may remain undetected. Further, our limited assurance engagement is not designed to detect fraud or error that is immaterial.

OTHER MATTERS

The maintenance and integrity of the Bank's website is the responsibility of the Bank's management. Our procedures did not involve consideration of these matters and, accordingly, we accept no responsibility for any changes to the Subject Matter and related disclosures, the SR2024 or to our independent limited assurance report that may have occurred since the initial date of presentation on the Bank's website.

RESTRICTED OF USE

This report is intended solely for the information and use of the Management of Saigon Thuong Tin Commercial Joint Stock Bank and is not intended to be and should not be used by other party. To the fullest extent permitted by the law, we do not accept or assume liability to any party other than the Board of Management of the Bank, for our work, for this report, or for the conclusion we have reached.

Ernst & Young Vietnam Limited



Nguyen Phuong Nga
Deputy General Director

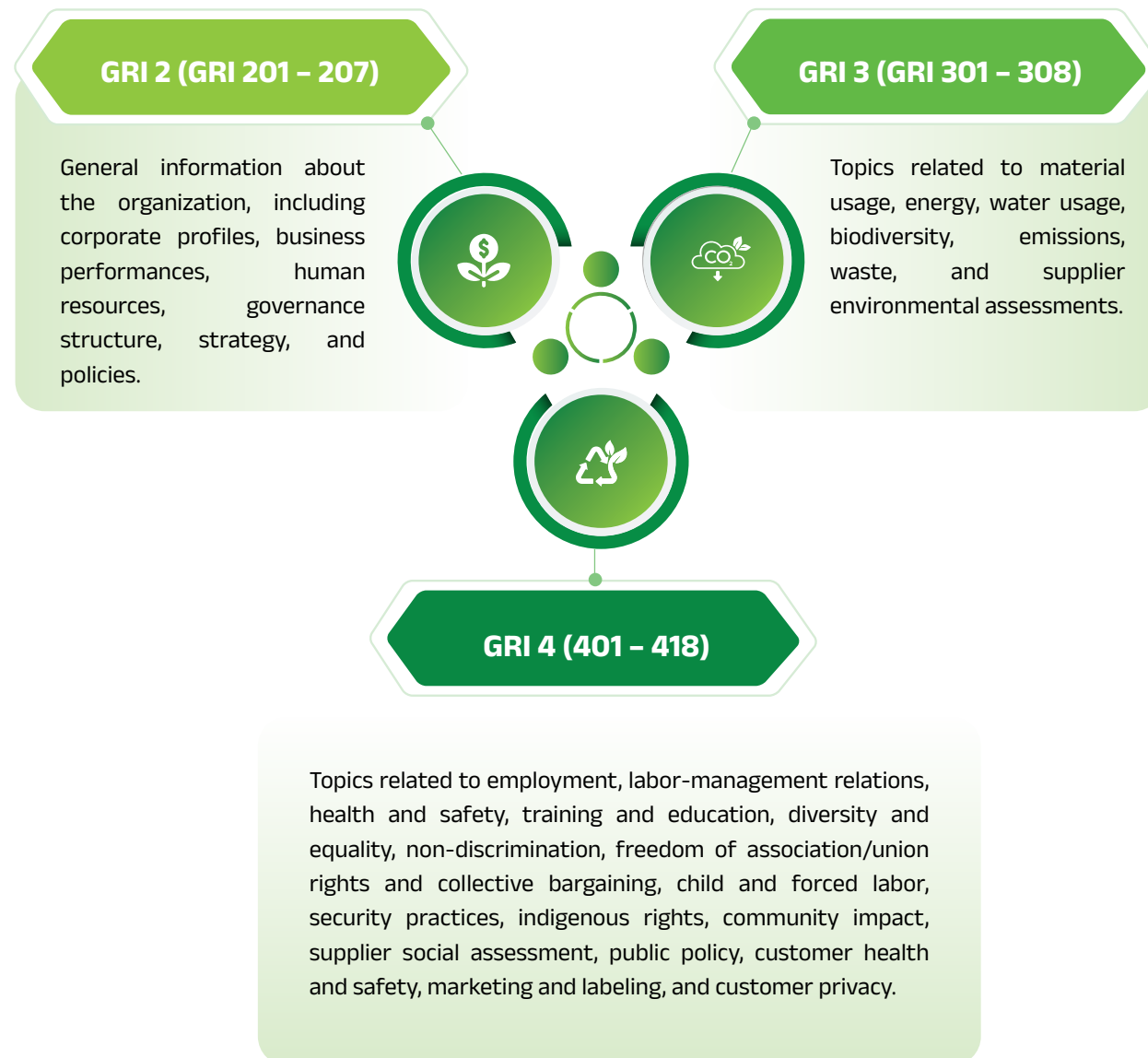
Certificate No. 0763-2024-004-1
Ho Chi Minh City, Vietnam
31 March 2025

SUSTAINABILITY REPORT INTRODUCTION

OVERVIEW

This sustainability report is a document that outlines the Bank’s Environmental – Social – Governance (ESG) performances by reference to GRI Standards – Core option. The GRI Standards provide a global framework for organizations to transparently disclose their contributions and commitments to the Sustainable Development Goals (17 SDGs) through providing an impact report on economic, environment, society, and also actions are willing to take manage those impacts.

A disclosure in according to GRI standards, besides an introduction about GRI (GRI 1) as follows:



The disclosures based on the above GRI Standards are mapped to the GRI Content Index in this report.

Besides, this sustainability report demonstrates Sacombank’s commitments through its alignment with 9 Sustainable Development Goals (SDGs) set forth by the United Nations, and specific actions taken to fulfil these commitments in areas that we consider material topics.

The following SDGs are not covered in this report:

No Poverty, Zero Hunger, Clean Water and Sanitation, Industry Innovation and Infrastructure, Reduced Inequalities, Life Below Water, Life on Land, and Partnerships for the Goals.

SUSTAINABILITY REPORT INTRODUCTION (continued)

Based on GRIs and SDGs, Sacombank consistently approaches the ESG through 4 key focusing areas.



Focus 1

Sustainable Growth



- Sacombank continues to uphold its commitment to sustainable growth by balancing short-term profitability with long-term, stable development that delivers lasting value to society, the environment, and all stakeholders.
- True sustainable development is a long-term commitment, with the overarching goal of bringing benefits for shareholders, ensuring maximum value to customers, and contributing to the prosperity of communities. Sacombank mobilizes all resources to reach – and exceed – business targets assigned by the General Meeting of Shareholders through effective asset and capital management, financial risk mitigation, liquidity assurance, and maintain a sustainable growth. This objective can be achievable by collaborating with customers – delivering tailored products and services with continuously enhanced quality, while optimizing resources across the organization.
- Sacombank also supports communities and society for further development with desire to improve quality of life, including annual participation in healthcare and education programs to share a burden with underprivileged communities. For employees, the Bank focuses on union engagement, protecting the workforce's rights, and improving welfare and provide them with better facilities and access to long-life learning opportunities and improve living conditions.

Focus 2

Customer Centricity



- At Sacombank, the philosophy of "Customer Centricity" is not just a slogan – it is a vital vow for sustainable development. By placing customers at the heart of operations, Sacombank strengthens competitiveness, fosters loyalty, and creates long-term value for customers, the Bank, and the broader community.
- This approach is to reflect Sacombank undertakes to prioritizing customer interests, developing tailored-made products, services, and enhancing customer's experience journey to meet evolving needs and expectations. By achieving this objective, Sacombank not only enhances customer satisfaction but also reinforces the Bank's sustainable development and creates a long-term value.
- Sacombank's undertakings are presenting by actively listening to customers, responding promptly, protecting customer's rights, and continuously innovating "go-green" products and services.



Focus 3

Human Resources are the Backbone



- Human resources are the key factor contributing to Sacombank's sustainable development. Employees not only perform daily tasks but also present the source of inspiration, creativity and innovation that drive Sacombank towards long-term goals.
- Their creativity, adaptability, and initiative enable Sacombank to evolve continuously, enhance competitiveness, respond to market challenges, and develop breakthrough products and services. In today's era of digital transformation, a skilled and agile workforce has been critical to Sacombank's successful restructuring progress. Accordingly, the Bank focuses on building digital capabilities and strategically managing human capital to meet evolving demands.
- Sacombank firmly believes that sustainable growth depends on a competent, committed, and ethically grounded workforce. No strategies, business plans can be achievable without such a dedicated and ethical workforce. Therefore, Sacombank offers to employees equally promotion opportunities and no discrimination base on gender, religion, or social background while continuously improving employee benefits to attract and retain top talent.

Focus 4

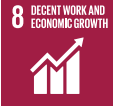








Transparency and Efficiency in Corporate Governance



- Transparency in operations and governance is essential to building trust among customers, partners, and shareholders. Open governance helps mitigate financial risks, enables early detection and resolution of irregularities, and ensures compliance with legal and international standards.
- Committed to strict legal compliance and operational integrity, Sacombank continues to strengthen its risk management framework, anti-bribery measures, and controls against money laundering and financial crime, in alignment with both Vietnamese laws and global best practices. This allows the Bank to proactively identify risks, prevent fraud, and respond swiftly and effectively to emerging challenges.
- Transparency in operation, efficiency in corporate governance are essential to maintaining strong relationships with shareholders, investors, regulators, building a credibility with customers, and the broader community. It fosters collaboration, attracts investment, and empowers Sacombank to strengthen operations, expand its scale, and thrive in the next phase of development following the completion of its Restructuring Plan.

SUSTAINABILITY REPORT INTRODUCTION (continued)

This report adopts the following approach:

United Nations Sustainable Development Goals (SDGs)	The contents of this report in accordance with GRI Standards	Focus areas aligned with Sacombank's sustainable development goals
  	<ul style="list-style-type: none"> GRI 201 Economic Performance GRI 202 Market Presence GRI 203 Indirect Economic Impacts 	<ul style="list-style-type: none"> Sustainable Growth Customer Centricity
 	<ul style="list-style-type: none"> GRI 301 Materials GRI 302 Energy GRI 303 Water and Effluents 	<ul style="list-style-type: none"> Transparency, and Efficiency in Governance
   	<ul style="list-style-type: none"> GRI 401 Employment GRI 402 Labor/Management Relations GRI 403 Occupational Health and Safety GRI 404 Training and Education GRI 405 Diversity and Equal Opportunity 	<ul style="list-style-type: none"> Sustainable growth Human Resources are the Backbone

Unless otherwise specified, the data in 2024 Sustainability Report reflects the Bank's performance from 1 January 2024 to 31 December 2024. The report can be read alongside other information disclosure on Sacombank's website.

REPORTING STANDARDS

This report follows the GRI Standards – Core Option, based on the following principles:



REPORTING SCOPE

This report presents the sustainable development contents of Sacombank, including

1 Headquarter | **109** branches | **437** transaction offices
4 subsidiaries in Vietnam | **2** subsidiary banks abroad (Laos, Cambodia)

2024 KEY HIGHLIGHTS



SUSTAINABLE GROWTH

Standalone profit before tax reached

VND **12,559** billion

Consolidated profit before tax reached

VND **12,720** billion,
up 32.6% year-over-year, achieving 120% of
the annual target set by the Shareholders'
Committee

Contributed

VND **3,916** billion to the State budget, an
80% increase compared to 2023.

Allocated

VND **143** billion to charity activities,
reaffirming Sacombank's long-standing commitment
to community services and social developments.

Total employee salary and remuneration reached

VND **7,419** billion.



CUSTOMER CENTRICITY

- Integrated chip-based citizen ID cards in July 2024 to support biometric data collection and secure transaction authentication, ensuring both safety and regulatory compliance.
- Continuously upgraded the Sacombank Pay application within its ecosystem, enhancing features such as referential account opening, online card issuance, take out consumer loans, and quickly disbursement progress.
- Expanded and upgraded features of Smart Teller Machines (STMs) to enhance customer journey.
- Launched prominent products, including: Visa O2 credit card made from recycled ocean plastic; Metro Pass and VinBus transportation payments; Garmin Pay; installment payments through card acceptance devices; Social Welfare Account Package.
- Developed online deposit and lending solutions to reach a broader customer base.
- A first ranking in total credit card transaction volume by Visa International.
- Digitized entirely key transaction processes, from account opening and transfers to L/C issuance and online loan disbursement.
- Introduced flexible business account packages tailored to diverse customer segments.
- Established direct link with the General Department of Taxation and Customs portals, simplifying State budget payments for businesses.

Achieved a **99.4%** customer satisfaction rate through various interaction channels (hotline, chat agent, email, QR code, chatbot, Facebook).

Secured an **89.53%** willingness to recommend Sacombank to family and friends.



HUMAN RESOURCES ARE THE BACKBONE

99% of managerial positions were filled through internal promotions and appointments.

Employee satisfaction surveys have been conducted annually since 2014.

2024 employee satisfaction survey results:

- Employee Net Promoter Score (eNPS):

81%

- Employee Satisfaction (ES):

91% (compared to 81% in 2022)

Average employee income in 2024 was

VND **32.95** million per month, a 10.3% increase over 2023.



TRANSPARENCY AND EFFICIENCY IN CORPORATE GOVERNANCE

Prioritized partnerships with leading technology companies committed to environmental protection and sustainable development.

Ensured that full, timely, and transparent disclosure of financial and non-financial information to both customers and investors.

Maintained prudent cost management practices - reducing fixed costs and strictly controlling variable costs to enhance labor productivity.

Compliance with legal and regulatory frameworks. Elevated the corporate governance to international standards, successfully adopting Basel III risk management standards, and IFRS9 financial reporting.



SUSTAINABLE DEVELOPMENT DIRECTION

Sacombank believes that its sustainable development goals are aligned with those goals of the world and Vietnam. We recognize our role in fostering a prosperous society and protecting the planet by making positive contributions to economic growth, adding value

for shareholders, collaborating with our customers, generating jobs, protecting and assisting vulnerable groups, and actively engaging in environmental protection. This sustainable development direction is

integrated into our business, financial, market, human resources, governance, and technology strategies, as detailed below.

STAKEHOLDER MANAGEMENT

In alignment with the Sustainable Development Goals, Sacombank acknowledges the importance of all stakeholders, including shareholders, customers, employees, government agencies, suppliers, and the community. Sacombank continuously strives to understand stakeholder expectations through dialogues, interactions, and surveys, incorporating their feedback into our strategies, objectives, and operations. These efforts are reflected in the effectiveness of our stakeholder engagement.

Stakeholders	Key Concerns	Sacombank's Actions	Engagement Approach	Frequency
CUSTOMERS	<ul style="list-style-type: none"> Bank image and reputation Customer centricity Diversifying products and services Service quality Responsiveness to inquiries and complaints Fair treatment Positive customer experience (in-branch and online) Data privacy 	<ul style="list-style-type: none"> In January 2024, launched the Social Welfare Preferential Account to connect with Sacombank accounts in pilot phrase. Since October 2024, managed to connect with 1,600 accounts. Directly connected with the eportals of the General Department of Taxation and Customs to streamline corporate payments, including general service taxes, customs duties, Hai Phong Port service charges and levies, and other budget contributions. Measurements to enhance the customer experience through applying the modern technologies and data governance. Provided a wide range of products and services that meet customer needs. Collected 233,147 customer's responses over 12.5 million e-surveys that enabling the Bank to take promptly action and proactive improvements. Strengthened customer data privacy protection. 	<ul style="list-style-type: none"> Direct engagement through consultants and bank tellers 24/7 customer service and call center Online communication channels via the Sacombank website Customer management platform: Customer Relationship Management (CRM) Application The feedback tool: Tel/email ask@sacombank.com Annual customer satisfaction surveys 	<p>Working days</p> <p>24/7</p> <p>Annual</p>
INVESTOR/ SHAREHOLDERS	<ul style="list-style-type: none"> Transparent and disclosure of information Fair treatment and protection of shareholder rights Sustainable growth and achievement of profit targets 	<ul style="list-style-type: none"> Disclosed financial and operational information in a full, timely, and transparent manner Enhanced shareholder value through sustained growth 	<ul style="list-style-type: none"> Annual General Meeting (AGM) Sacombank's website 	<p>Annual</p>

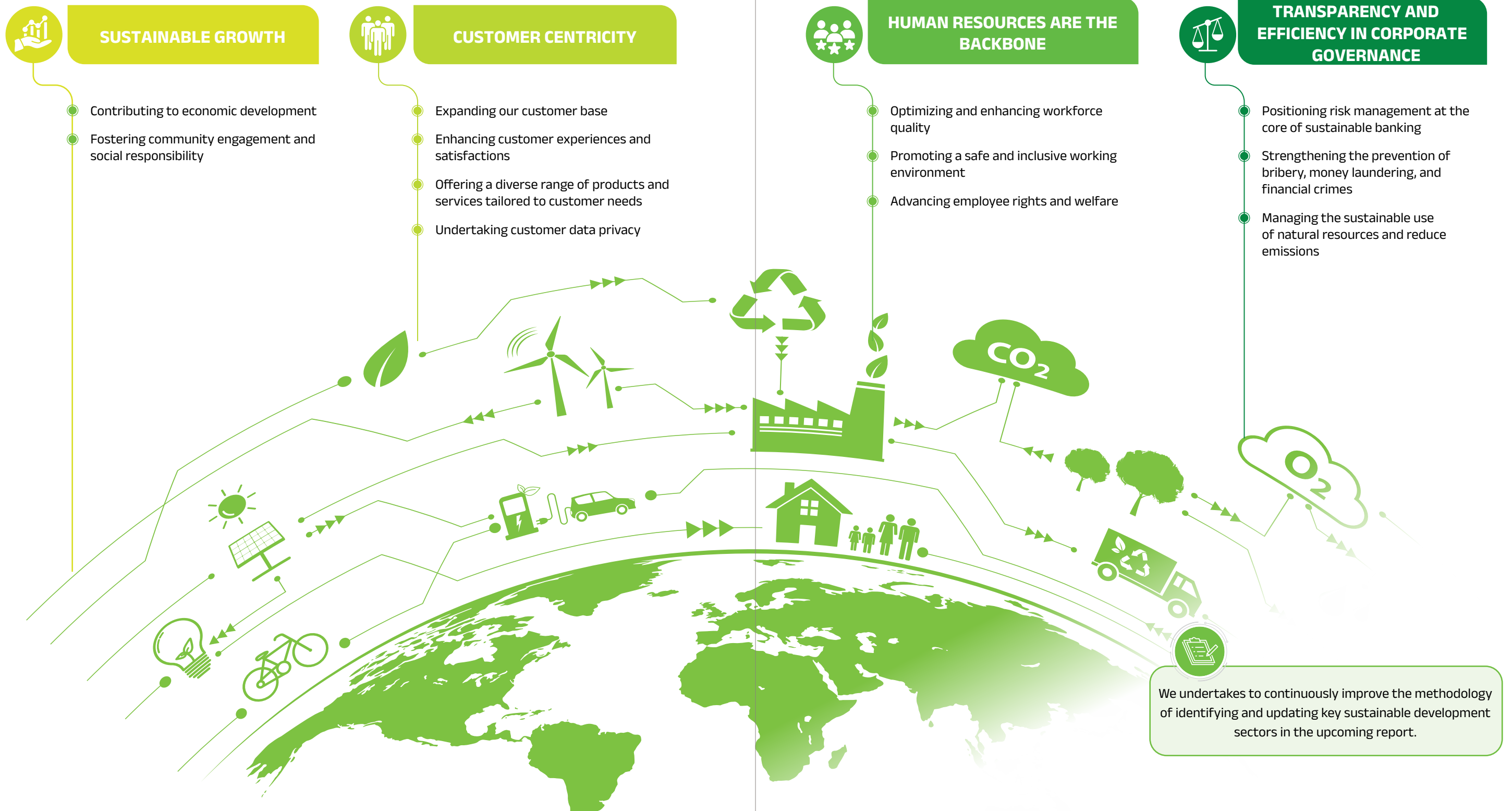
SUSTAINABLE DEVELOPMENT DIRECTION (continued)

Stakeholders	Key Concerns	Sacombank's Actions	Engagement Approach	Frequency
EMPLOYEES	<ul style="list-style-type: none"> Workplace equality Compensation and promotion opportunities Robust employee welfare 	<ul style="list-style-type: none"> Ensured equally access to training and development opportunities Built a transparent, attractive, and competitive wage, salary, and bonus structure Enhanced employee rights and welfare policies 	<ul style="list-style-type: none"> Employee satisfaction assessments Training programs Deploying internal platforms Alo CEO (aloCEO@sacombank.com) in order to collect opinions/initiatives for the corporate development, safety, sustainability MS Teams: Group work, meetings, online training, etc. Viva Engage (Yammer): Experience sharing professional knowledge, skills, newsletters, market news, etc. Digital library with e-learning courses 	<p>Every two years</p> <p>Ongoing</p>
GOVERNMENT AGENCIES/STATE AUTHORITIES	<ul style="list-style-type: none"> Compliance with legal and regulatory requirements Alignment with National development goals Support in implementing public policies to support the economy 	<ul style="list-style-type: none"> Ensured fully compliance with applicable laws and regulations Proactively updated internal policies in accordance with government directives and circulatives Actively participate in activities and campaigns led by the Government and Ministries/Departments Participated in dialogues and legal opinions in the policy-making process of the Government and competent authorities 	<ul style="list-style-type: none"> Participation in government-organized conferences or events Engage in dialogue with state agencies to contribute, improve the current policies and directions Participation in seminars, association and economic forums Compliance reviews and performance evaluations 	Many times/year
SUPPLIERS	<ul style="list-style-type: none"> Treating suppliers fairly and transparently 	<ul style="list-style-type: none"> Worked with suppliers who meet management requirements, comply with legal regulations, and operate without causing harm to the environment and society Promoted transparency in procurement and supplier selection Implementing a transparent and full contractor appointment process Committed to service quality and verified product origin 	<ul style="list-style-type: none"> Meetings Quoted price via email Negotiations (if any) 	As needed
COMMUNITY	<ul style="list-style-type: none"> Enhancing the quality of life for local community 	<ul style="list-style-type: none"> Organized volunteer programmes aimed at benefiting the local community and vulnerable groups in society 	<ul style="list-style-type: none"> Community engagement activities 	Ongoing

KEY SECTORS

Identifying key sustainable development sectors enables Sacombank to concentrate on areas that are most critical to our operations and long-term objectives. The identification process is based on assessing Sacombank's impact on stakeholders and evaluating the influence of stakeholders on the Bank.

Our key sectors include:



KEY SECTORS (continued)

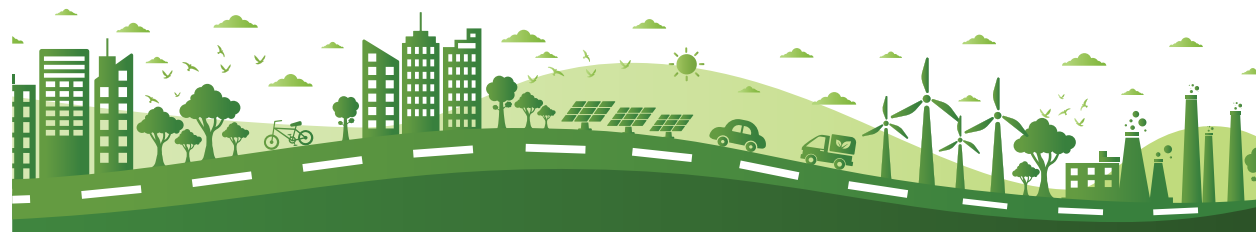
OUTSTANDING ACHIEVEMENTS RELATED TO THE DEVELOPMENT OF ACTIVITIES ALIGNED WITH THE UNITED NATIONS' SDGS THAT SACOMBANK ACCOMPLISHED IN 2024

Focus 1 SUSTAINABLE GROWTH



Contributions to economic development

- Total profit before tax: VND 12,720 billion, an increase of 32.6% compared to the previous year.
- Total costs of stakeholder engagement:
 - Contributed VND 3,916 billion to the State budget, an 80% increase from 2023, placing Sacombank among the top contributors in the banking sector.
 - Total salary/remuneration for employees: over VND 7,419 billion.
- Proactively adjusted the deposit interest rates downward to lay a foundation for reducing lending rates, promoting credit growth and supporting economic recovery. Through preferential loan packages targeting priority sectors, particularly production and business, Sacombank achieved positive results: 10.1% deposit growth in primary market, 11.7% increase in credit, and efficient capital utilization, ensuring liquidity safety. These efforts alleviated financial burdens on businesses and contributed to the sustainable recovery and development of the economy.
- Invested VND 2,000 billion in rural financial and sustainable agricultural transformation projects.



Commitment to community and social responsibility

- Allocated nearly VND 143 billion in 2024 for impactful humanitarian initiatives, continuing its mission to support the development of communities and society. These programs improved quality of life and delivered both material and spiritual value to individuals and communities across Vietnam.
- The 21st annual **"Spring Warmth"** charity program brought joy to disadvantaged and underprivileged individuals across most provinces and cities in Vietnam, with nearly VND 10 billion in funding.
- Sacombank employees and union members contributed nearly VND 12.8 billion through local Fatherland Front Committees and the HCMC Labor Federation to support communities in rebuilding their lives after Typhoon No. 3. In addition, Sacombank coordinated with local authorities in severely flooded areas, providing VND 1 billion in relief funding.
- In response to the Prime Minister's directive under the 2024-2025 **"Eliminate Temporary and Dilapidated Housing"** campaign, and calls from the People's Committee, Vietnam Fatherland Front Committee, and local authorities, Sacombank donated VND 45.65 billion to support this initiative.
- Allocated over VND 11 billion to implement the **"Sacombank - Nurturing Dreams"** scholarship program, providing motivation for nearly 4,000 students from disadvantaged backgrounds across the country to pursue their education.
- Organized the 15th and 16th stages of the **"Steps for the Community"** running/jogging initiative to raise funds for building community cultural houses for ethnic minorities, preserving and promoting traditional cultural values.
- A majority of leaders and employees participated in the **"Sacombank - Sharing from the Heart"** blood donation program, donating thousands of blood units to hospitals and medical facilities in need.
- Partnered with Dai-ichi Life Vietnam to continue charitable efforts, contributing VND 1.1 billion to assist underprivileged patients across multiple provinces.

KEY SECTORS (continued)



Focus 2

CUSTOMER CENTRICITY



Expanding customer base

- Over the past three years, Sacombank recorded impressive growth in both customer lendings and overall customer base, with outstanding loans rising from VND 248,347,706 million (2022) to VND 287,412,414 million (2024) and number of customers increasing from 15,140,925 to 18,631,396. The Bank strengthened its market position through comprehensive digitalization, service quality enhancements, and ecosystem partnerships in corporate banking, intermediary payments, and e-commerce.
- Sales campaigns aligned with major social events, such as Cashless Day and the Metro project that contributed to drive new customer acquisition.
- For corporate clients, Sacombank served over 202,000 businesses with transaction activities (a slight increase of 3% yoy), accounting for 21% of total enterprises in Vietnam. In which, 99% of corporate clients were SMEs, holding more than VND 170,000 billion in lending outstanding (accounting for 72% of total corporate loans), marking a 19% increase.
- Sacombank also focus on delivering premium experiences to priority customers through exclusive benefits such as airport lounge access, golf privileges, and high-value gratitude gifts. In 2024, Sacombank was honored by International Business Magazine with two prestigious awards: "Most Innovative Retail Bank Vietnam" and "Most Innovative Digital Bank Vietnam", marking the fourth consecutive year of such recognition.



Customer data privacy protection

- Sacombank continuously enhances its cybersecurity management systems.
- A Database Activity Monitoring system, aligned with international standards, has been implemented across Sacombank's operations.
- 100% of Sacombank's employees completed basic training on information security awareness.



Enhancing customer experience and satisfaction

Sacombank continuously applies cutting-edge technology to elevate customer experiences across all service channels.

Digital channels

- Integrated chip-embedded citizen IDs from July 2024 for biometric collection and transaction authentication, ensuring safety and regulatory compliance.
- Continuously upgraded the Sacombank Pay app, enabling personalized account opening, card issuance, consumer lending, and expedited disbursements.
- Expanded and enhanced Smart Teller Machines (STMs) to improve user convenience.

Personal products and services

- Launched innovative products such as the Metro Pass, Vinbus payments, Garmin Pay, Social Welfare Account packages, and the Visa O2 credit card made from recycled ocean plastic. These solutions facilitated easier access to personal financing, helped curb predatory lending and reflected Sacombank's commitment to the Net Zero goal. In 2024, Sacombank led total credit card transaction volume according to Visa International.

Corporate products and services

- Fully digitized transaction processes, from account opening to L/C issuance and online disbursements. Flexible Business Account Service Combos tailored to diverse customer segments, with direct connections to Taxation and Customs portals, simplifying State budget payments. These innovations solidified Sacombank's leadership in digital transformation and financial services.

Achieved a 99.4% customer satisfaction rate for Sacombank service experiences across interaction channels (phone, chat agents, email, QR code, Chatbot, Facebook) and recorded an 89.53% willingness-to-recommend rate.



Providing diverse products and services to meet customer needs

- Launched innovative products such as the Metro Pass card, Vinbus transportation payments, Garmin Pay, installment payments via card acceptance devices, and the Social Welfare Account package. Notably, the Visa O2 credit card, made from recycled ocean plastic, underscores Sacombank's commitment to the Net Zero goal. In 2024, Sacombank led total credit card transaction volume according to Visa International.
- For institutional clients, Sacombank offers comprehensive solutions spanning account management, cash flow, international payments, and flexible credit. All progress from product registration to transactions—are fully digitized and highly secured. Online capabilities for account opening, transactions, L/C issuance, and disbursements enable entities to access funding with ease and manage operations efficiently.
- "Bespoke" services for agents, distributors, and intermediaries support automated cash flow management and reconciliation. Sacombank has also expanded payment channels through partnerships with Taxation, Customs, SWIFT, and e-commerce platforms, ensuring seamless domestic and international transactions.

KEY SECTORS (continued)



Focus 3

HUMAN RESOURCES ARE THE BACKBONE



Optimizing and elevating workforce quality

- 99% of management positions were filled through internal promotions.
- A significant 91% satisfaction rate was recorded in the 2024 employee happiness survey.
- Conducted 125 training programs for over 77,003 managerial and employee participants, including thematic workshops, skill enhancement courses, and leadership development initiatives tailored for both existing and high-potential managers.
- 51.7% of staff-level employees were female.



Enhancing employee rights and welfare

- An admirable 100% of employees received at least one health check-up annually, while those in designated positions received check-ups twice a year.
- Implemented comprehensive safety and hygiene protocols to ensure workplace well-being and environmental protection.
- Developed a competitive welfare policy to not only retain talent but also attract high-quality external candidates.
- Average employee income in 2024 reached VND 32,950,000 per month, a 10.3% increase compared to 2023.



Focus 4

TRANSPARENCY AND EFFICIENCY IN CORPORATE GOVERNANCE



Risk management as the core of sustainable banking

- Continuously identified and evaluated financial and non-financial risks in banking operations, as well as applied modern measurement tools to quantify and predict potential risks.
- Elevated internal governance standards to international benchmarks by adopting Basel III risk management framework, completed the IFRS9 financial reporting project, and launched the Internal and External Fraud Prevention Solution, which enables real-time detection of irregular transactions, enhanced fraud prevention, and minimized financial losses.
- Participated in streamlining and digitalizing operational processes, enhanced IT system stability for seamless operations.



Anti-bribery, Anti-money Laundering, and Financial Crime Prevention

- Issued and enforced regulations on anti-money laundering, counter-terrorism financing, and the prevention of weapons of mass destruction proliferation, ensuring compliance across all levels of the organisation.
- Strengthened internal awareness through structured training on legal regulations, Party and State directives on anti-corruption, misconduct prevention, and crime deterrence among all employees.



Strengthening natural resource management efficiency and emissions

- Enhanced the environmental and social management system, adopted international best practices to minimize negative impacts on the environment and community.
- Since 2019, Sacombank has reviewed and refined its Environmental and Social processes, implementing them system-wide.




DETAILED CONTENTS

SUSTAINABLE GROWTH

Contributions to Economic Development




We flexibly implement measures to maximize business objectives while ensuring operational safety.

Recognizing economic growth as a foundation for sustainable development, Sacombank remains steadfast in its efforts to implement a sustainable business model through the following key initiatives:

- Transition to a sustainable business model:** Sacombank is committed to minimizing environmental impacts and reducing dependence on traditional lending by expanding non-credit services. The Bank has strengthened retail operations and collaborated with economic organizations to deliver comprehensive, user-friendly banking products and services. In parallel, Sacombank has prioritised the development of modern distribution channels - such as ATMs, internet banking, and mobile banking - to enhance customer experience and reduce environmental impact through digitalization.
- Stable funding growth and community support:** Sacombank has maintained a stable funding base from customer deposits and promoted responsible lending practices across prioritized customer segments: (1) Retail banking, (2) Small and Medium Enterprises (SMEs), (3) Corporate banking, and (4) Microfinance clients. The Bank has prioritized financing for sectors that generate positive social and environmental outcomes, while mitigating risks and optimising capital efficiency to drive sustainable growth for both business and community sustainability.
- Advancing digital banking services and reducing environmental impact:** Sacombank continues to advance digital banking and card-based services, establishing a modern financial ecosystem that minimizes in-person transactions and paper use. Key initiatives in 2024 included:
 - 
 Launching Vietnam's first Voice A.I.-powered non-keypress call center in banking.
 - 
 Deploying key initiatives such as the Auto Fee Engine, eSign digital signature, and Face ID.
 - 
 Promoting biometric authentication and integrating Sacombank accounts with the VNeID app for social welfare benefits.



- Sacombank has introduced a range of tech-driven financial solutions to align with ESG principles, including:**

- 
 Launching the Sacombank Visa Platinum O2 card - Vietnam's first credit card made from recycled ocean plastic - featuring CO₂ emission tracking per transaction.
- 
 Enabling 24/7 online disbursement for instant funding for corporate clients.
- 
 Expanding QR payment solutions through strategic partnerships with MoMo, VNPAY, ZaloPay, and Garmin Pay, and extending cross-border QR payments to Thailand, Cambodia, and Laos, along with enabling Sacombank Napas card payments in South Korea.

These efforts reflect Sacombank's unwavering commitment to delivering sustainable, ESG-aligned financial solutions that harmonize economic growth with social and environmental responsibility, creating long-term value for all stakeholders.

DETAILED CONTENTS (continued)

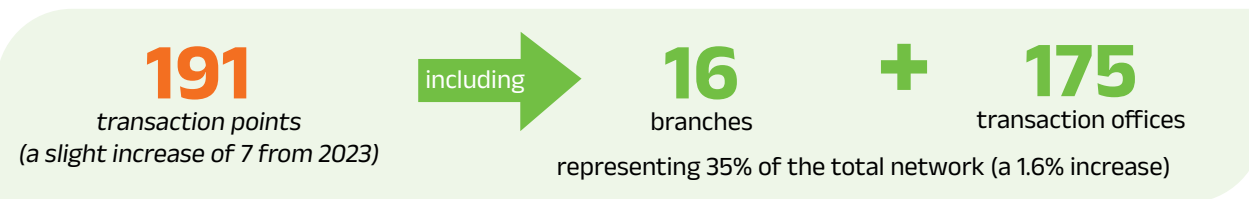
SUSTAINABLE GROWTH (continued)

In 2024, Sacombank proactively restructured its operational network to support digital transformation and improve productivity.



Despite the overall reduction, Sacombank expanded its presence in rural and underserved areas.

The commune/town level:



The ward level:



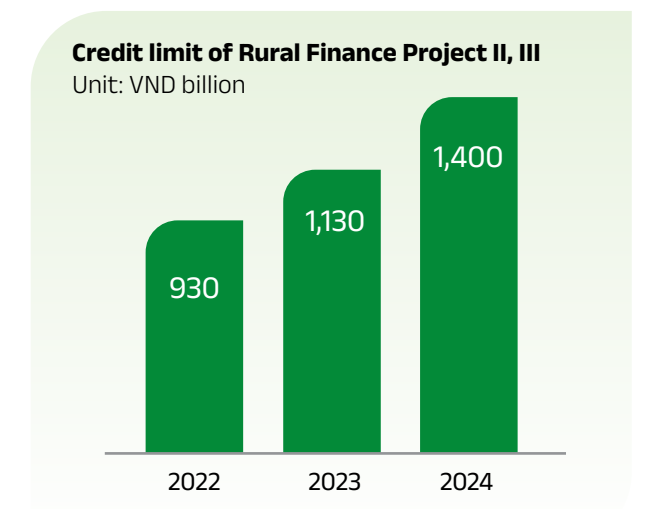
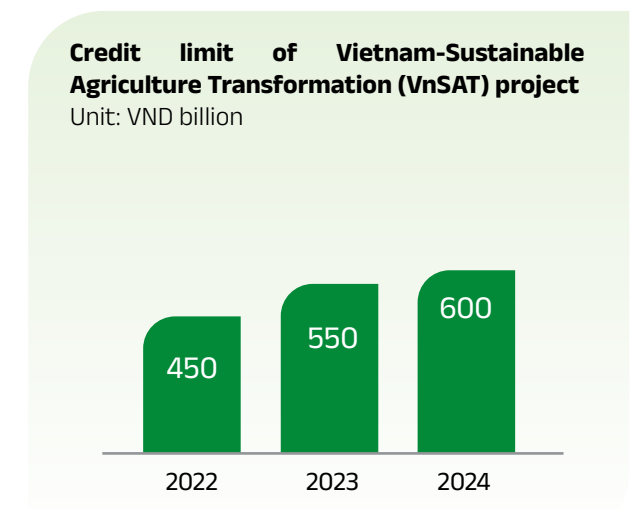
Largely due to administrative boundary adjustments at the provincial level.

Additionally, the Bank deployed:



Since 2019, Sacombank has actively participated in the Vietnam Sustainable Agriculture Transformation (VnSAT) project in partnership with the World Bank. A part of the project supports enterprises investing in high-quality rice production and processing. Eligible borrowers include Privately-owned enterprises or enterprises transitioning to private ownership, and customers with business plans which utilize resources located in one of the eight Mekong Delta provinces An Giang, Can Tho, Dong Thap, Hau Giang, Kien Giang, Long An, Soc Trang, and Tien Giang. The loans provided under this program aim to support the upgrading of rice processing plants and equipment. These includes

not only partial or full financing of key items - such as storage facilities, machinery, repair and maintenance costs, or equipment replacement related to current rice production operations - but also reimbursement of capital expenditures previously funded by the enterprise's own equity. Building on the success of the Rural Finance Project III (2009-2024) - which supported thousands of farmers in upgrading agricultural machinery and enhancing product quality - Sacombank continues to actively engage in the Rural Finance Projects II and III. The total credit limits under these projects, as well as under the VnSAT initiative, have continued to grow year over year.



DETAILED CONTENTS (continued)

SUSTAINABLE GROWTH (continued)

Sacombank has developed dedicated credit solutions to meet the needs of small-scale enterprises:

- ◆ Since 2016, the Bank has provided installment loans tailored for newly converted small businesses transitioning from household models (in accordance with Decision 3633/2016/QĐ-KHDNVN).
- ◆ In 2018, the Bank streamlined and simplified credit evaluation processes for small corporate clients, facilitating faster and more convenient access to capital (per Decision 2913/2018/QĐ-KHDNVN).

No.	Decision No.	2022		2023		2024	
		Outstanding Debt (VND billion)	Number of Customers	Outstanding Debt (VND billion)	Number of Customers	Outstanding Debt (VND billion)	Number of Customers
1	3633/2016/QĐ-KHDNVN	712	349	581	214	463	152
2	2913/2018/ QĐ-KHDNVN	4,955	1,532	2,908	969	1,873	717

We also focus on ensuring operational safety targets:

- ◆ Ensured credit growth remained within the limits assigned by the State Bank of Vietnam.
- ◆ Focused on credit quality with high-performing portfolio, effective risk control, and sustainable credit practices to ensure safe – efficient - sustainable growth.
- ◆ From 2021 to 2024, credit orientation consistently aligned with improving capital adequacy ratio.
- ◆ Promoted digital transformation in credit operations to enhance customer experience and strengthen credit risk management.

Sacombank is a pioneering bank in developing and applying an Environmental and Social Management System (ESMS). ESMS supports the Bank in monitoring and mitigating negative environmental and social impacts associated with credit activities. Environmental and social risk assessments are integrated into every step of the credit process, including proposal, analysis, appraisal, and approval.



Communities and Social Responsibilities

In 2024, Sacombank allocated nearly VND 143 billion to implement a wide range of meaningful humanitarian initiatives, reinforcing its commitment to social well-being. These efforts have made tangible contributions to improving the lives of individuals and communities, while supporting local economic development across Vietnam.

Bringing warmth to communities

The 21st edition of the annual "Spring Warmth" charity program brought Tet joy to thousands of elderly individuals living alone, orphans, children with disabilities, and underprivileged families across the country. With nearly VND 10 billion contributed in 2024 alone, total funding over 21 years has reached VND 95.7 billion, reflecting Sacombank's steadfast commitment to social welfare and grassroots economic development.



DETAILED CONTENTS (continued)

SUSTAINABLE GROWTH (continued)

Supporting recovery from Typhoon No. 3

Nearly VND 12.8 billion was contributed from Sacombank employees and trade union members and donated via local chapters of the Vietnam Fatherland Front and the Ho Chi Minh City Labor Federation to help affected residents rebuild their lives after Typhoon No. 3.

Sacombank also collaborated with local authorities in Thai Nguyen and Lao Cai provinces to provide direct support and gifts worth VND 500 million to impacted households. In addition, the Bank contributed VND 500 million to the "Preventing School Dropout" scholarship fund led by Tuoi Tre newspaper, aimed at assisting students and teachers in flood-stricken northern provinces.



Organizing the 12th "Sharing from the Heart" blood donation campaign

This annual, bank-wide initiative collected 900 units of blood in 2024, supporting hospitals and local Red Cross organizations in their efforts to provide lifesaving medical care.



Holding "Steps for the Community" charity run

During the 15th and 16th stages of this initiative, Sacombank raised funds to build community cultural houses for the Dan Lai (Nghe An) and Giay (Yen Bai) ethnic groups, contributing to the preservation and promotion of traditional cultural values.



Responding to the "Eliminate Temporary and Dilapidated Housing" campaign

In alignment with the Prime Minister's directive and in response to appeals from provincial governments, the Vietnam Fatherland Front, and local authorities, Sacombank contributed VND 45.65 billion in 2024 to improve housing conditions in Ho Chi Minh City and the provinces of Bac Lieu, Khanh Hoa, Bac Ninh, Thai Nguyen, Long An, Quang Tri, and Lam Dong.

Offering "Nurturing dreams" scholarships

Sacombank granted over VND 11 billion in scholarships to support 4,000 students during the 2024 - 2025 academic year. These scholarships help underprivileged students continue their education and strive for a better future. Over the past 21 years, the Bank has awarded more than 46,300 scholarships, totaling budget of nearly VND 72 billion.



Ongoing charity partnership with Dai-ichi Life Vietnam

Continuing a seven-year collaboration, Sacombank and Dai-ichi Life Vietnam jointly implemented a series of community-focused activities in 2024 with a total budget of VND 1.1 billion. These included: 25 nutrition care packages for pediatric cancer patients in Ho Chi Minh City; 60 wheelchairs donated to people with disabilities in Lang Son; Cataract surgeries that restored vision for 240 patients in Binh Thuan and Soc Trang provinces. Since the beginning of the partnership, the total value of community support initiatives has exceeded VND 7.4 billion.



DETAILED CONTENTS (continued)

CUSTOMER CENTRICITY

Expanding customer base

Over the past three years, Sacombank has achieved impressive growth in both individual lending and overall customer base. Outstanding individual loans increased from VND 248,347,706 million in 2022 to VND 287,412,414 million in 2024, while the total number of customers rose from 15,140,925 to 18,631,396. The Bank strengthened its market position through end-to-end digitalization, continuous service quality enhancements, strategic ecosystem partnerships across corporate banking, intermediary payments, and e-commerce. Targeted sales campaigns linked to key social initiatives - such as Cashless Day and the Metro Project - further contributed to the acquisition of new customers. For corporate clients, Sacombank served over 202,000 businesses with transaction activities in 2024 (increased by 3% year-on-year), accounting for 21% of total enterprises in Vietnam. Notably, 99% of these clients were SMEs, with loans totaling approximately VND 170 trillion - representing 72% of total corporate lending and marking a 19% increase from the previous year. Sacombank also enhanced services for priority customers by offering premium benefits such as airport lounge access, golf privileges, and exclusive gifts. In recognition of these efforts, International Business Magazine awarded Sacombank two prestigious titles in 2024: "Most Innovative Retail Bank Vietnam" and "Most Innovative Digital Bank Vietnam," marking the fourth consecutive year of such accolades.

Providing diverse products and services to meet customer needs

- ◆ Sacombank continues to pioneer technology adoption to enhance customer experience and support national digital transformation. In 2024, the Bank introduced a range of innovative solutions such as Metro Pass, Vinbus fare payments, Garmin Pay, Social Welfare Account packages, fully online lending and deposit services, and the Visa O2 credit card made from recycled plastic - highlighting Sacombank's commitment to sustainability. Notably, Sacombank led the market in total credit card transaction volume, according to Visa International.
- ◆ For corporate clients, Sacombank provides comprehensive solutions encompassing account management, cash flow optimization, international payments, and flexible credit facilities. These services are fully digitized and secured, covering the entire journey from product registration to transaction execution. Online capabilities for account opening, fund transfers, L/C issuance, and loan disbursements significantly enhance capital accessibility and management efficiency.
- ◆ To further optimize business cash flows, Sacombank delivers bespoke services for agents, distributors, and intermediary partners, enabling automated reconciliation and real-time cash flow monitoring. The Bank has also expanded its payment infrastructure through strategic partnerships with the General Department of Taxation, Vietnam Customs, SWIFT, and major e-commerce platforms - ensuring seamless, secure, and efficient domestic and international transaction processing.



Enhancing customer experience and satisfaction

- ◆ Technology applications enhancing customer experience
- **Chip-embedded citizen ID integration:** Since July 2024, Sacombank has successfully integrated chip-based citizen ID authentication for biometric data collection and transaction verification at counters and via mobile apps. As of 31 December 2024:
 - Over 3 million customers have registered biometric data.
 - Nearly 40 million transactions were authenticated using biometrics, accounting for approximately 94% of all transactions.
- **Customer data cleansing:** By June 2024, Sacombank completed biometric-based data cleansing, with expansion to other essential data finalized by December 2024. More than 500,000 payment accounts were cross-verified with the CO6 database, with 100% of responses reviewed and accurately updated.
- **Social welfare integration:** In January 2024, Sacombank launched a preferential social welfare account package and began pilot integration with Sacombank accounts in October. Nearly 1,600 accounts were successfully linked during the pilot phase.
- **Sacombank Pay app:** The app is continuously upgraded to deliver comprehensive financial services, including: Personalized digital account opening; Instant issuance of credit and debit cards for everyday spending or online purchases; Real-time loan application and disbursement within minutes; Modern payment features such as QR code and contactless transactions, cross-border QR payments in Thailand, Cambodia, and Laos, supporting seamless trade, tourism, and daily spending. In addition, Sacombank became one of the first banks in Vietnam to issue Metro Pass cards, in partnership with the HCMC Metro Operating Company, facilitating convenient public transit access.
- **STM (Smart Teller Machine):** Following nationwide deployment, STMs have been upgraded with enhanced features, including: NFC-enabled contactless cash deposits and withdrawals; Account opening using chip-based citizen ID cards; Withdrawals by denomination via VietQR codes; Interbank card withdrawals; Video call support to the call center; Bilingual English-Vietnamese support for all features.

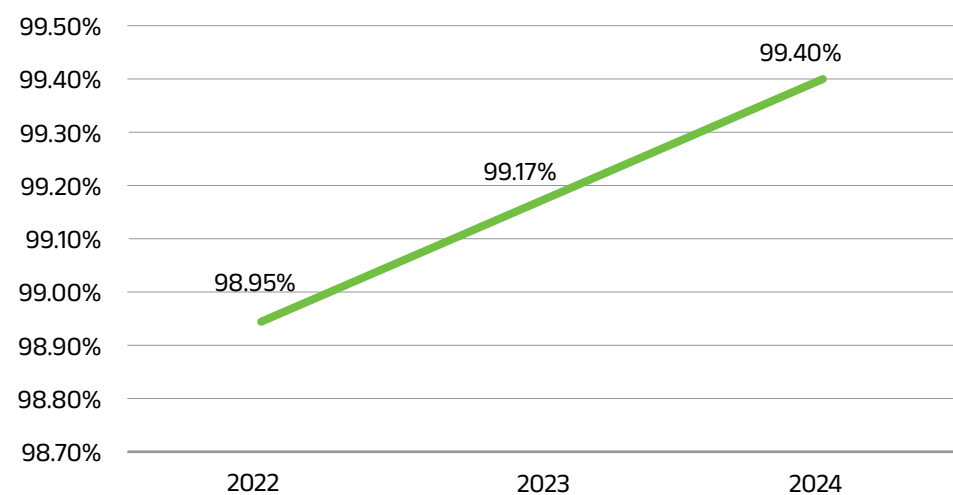
DETAILED CONTENTS (continued)

CUSTOMER CENTRICITY (continued)



- Customer interaction, support, and feedback: Sacombank has built a multi-channel customer service ecosystem to promptly address customer feedback and complaints. Key channels include: The 24/7 Customer Service Center hotline; Dedicated advisory teams and frontline transaction employees; Online feedback functionality integrated into the website.
- The Net Promoter Score (NPS) for the Sacombank Pay app reached 85.56%
- Customer satisfaction index (CSAT) across 2022, 2023, and 2024

Customer satisfaction index



Protecting customer data privacy

- Sacombank prioritizes customer data privacy by continuously researching, issuing, and enforcing stringent information security regulations. The Bank has published information security policy, comprehensive guidelines on personal data protection and processing, including agreements on the use of personal data in compliance with legal frameworks.
- Sacombank is the first bank in Vietnam to deploy the 3D Secure version 2.0 solution, significantly reducing the risk of online payment fraud for customers.
- To further enhance cybersecurity, Sacombank has built a robust information security system and achieved: PCI DSS certification (Payment Card Industry Data Security Standard) for the 11th consecutive year, now compliant with the latest PCI DSS version 4.0; Certification under the ISO/IEC 27001:2022 international standard for information security management.
- Sacombank also maintains a specialized fraud risk management team responsible for monitoring, identifying, and responding to suspicious transactions.
- Sacombank always maintains and upgrades its customer's data privacy, ensuring information security and privacy.
- The 24/7 Security Operations Center (SOC) has been operated since 2019, for real-time monitoring and incident response across Sacombank's IT infrastructure.
- Full compliance with the SWIFT Customer Security Program (CSP-SWIFT).
- Implementation of the Database Activity Monitoring System since 2023, in collaboration with IBM, ensuring adherence to international standards.
- In 2024, Sacombank rolled out a series of new security solutions to strengthen customer data protection, including: eKYC authentication using chip-based citizen ID cards; Data matching with the national population database; Biometric authentication, in line with Decision 2345/QĐ-NHNN on safe online and card payments; Compliance with Circular 50/2024/TT-NHNN, issued by the State Bank of Vietnam, on information security in online banking services.
- Recognizing that strong governance plays a vital role, Sacombank ensures the clear definition of responsibilities, consistent training, and close supervision of all stakeholders involved in data protection.
- To foster a culture of cybersecurity awareness, 100% of employees completed basic training in information security in 2024.



DETAILED CONTENTS (continued)

HUMAN RESOURCES

ARE THE BACKBONE

Optimizing and enhancing human resource quality

Sacombank ensures that all employees uphold ethical standards and comply with the Bank's Code of Conduct. These guidelines, shaped by the Bank's business philosophy and responsibilities to customers, investors, and the community, reflect a culture of professionalism, integrity, and dedication. The regulations include two key components: (i) Business ethics and (ii) Professional ethics and the employee Code of Conduct, which aim to:



Fulfill the Bank's mission and vision while effectively implementing core values.



Foster a professional, humanistic work environment and minimize operational risks.



Shape a trustworthy, thoughtful, and professional image of Sacombank employees in the eyes of customers, partners, and society.



Provide a foundation for compliance monitoring and disciplinary measures.

In a competitive and fast-evolving market, Sacombank recognizes corporate culture as a strategic "soft power" - essential for attracting and retaining talent, strengthening the Bank's identity, and promoting sustainable development. Guided by the Board of Directors and Executive Management, Sacombank collaborated with PACE Consulting to implement the "Development and Promotion of Sacombank Culture" project. This initiative reinforces core values by integrating them into employees' mindsets, behaviors, and everyday actions, cultivating a culture that inspires pride, unity, and long-term commitment.

Sacombank

EMPLOYEES ARE GUIDED by the following values



Conscientious attitude - Gaining trust through dedication and service quality.



Professional conduct - Delivering efficient service and exceeding customer expectations.



Professional appearance - Projecting a positive and polished image.



Comprehensive knowledge - Continuously improving to meet professional demands.



Innovation - Creating value through breakthrough ideas and initiatives.

In 2024, Sacombank introduced high-impact training programs to support employee development: The Internal Trainer Program and Mentoring Program empowered a network of in-house trainers to share real-world expertise, mentor colleagues, and enhance performance across units; The "Understand the Profession - Master the Job" project introduced 10 practical training modules, enabling thousands of employees to identify and respond to real-world risk scenarios. This initiative strengthens operational resilience and supports Sacombank's sustainable growth goals.









DETAILED CONTENTS (continued)

HUMAN RESOURCES ARE THE BACKBONE (continued)

Building a safe and equitable working environment



Sacombank remains committed to cultivating a safe, fair, and inclusive workplace that empowers all employees.

-  Ensuring equal opportunities in recruitment, without discrimination based on race, color, religion, gender, age, or ethnicity, etc.
-  Applying transparent and standardized performance evaluation criteria for both individuals and teams.
-  Maintaining open feedback channels that allow employees to share their perspectives, contribute to corporate culture, and report violations of ethical or fairness standards.
-  Listening to employee feedback via internal surveys and incorporating insights into policy enhancements, especially those related to welfare and work-life balance.
-  Upholding transparency and democratic values as foundational principles in workplace culture.
-  Continuously reinforcing workplace safety standards.



More than **43,907,871** working hours with zero workplace accident or occupational illnesses

Enhancing employee rights and welfare

2024 workforce survey highlights:



Employee Net Promoter Score (eNPS):

81%



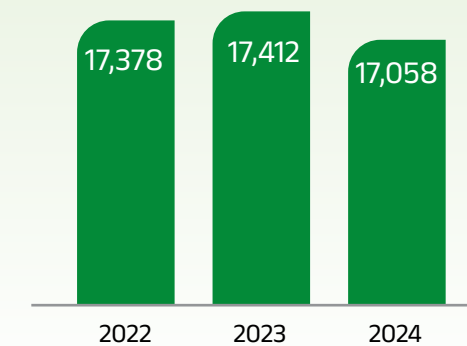
Employee Satisfaction (ES):

91%

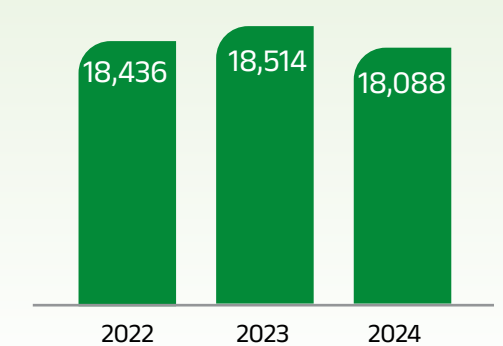
(up from 81% in 2022)

Total number of employees over the years

Sacombank only



Sacombank and subsidiaries



DETAILED CONTENTS (continued)

HUMAN RESOURCES ARE THE BACKBONE (continued)

Building a safe and equitable working environment (continued)

Human resource structure



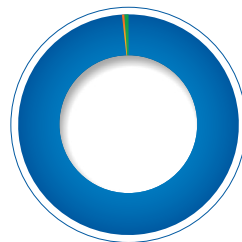
By gender

Female 48.29%
Male 51.71%



Leadership board structure by gender

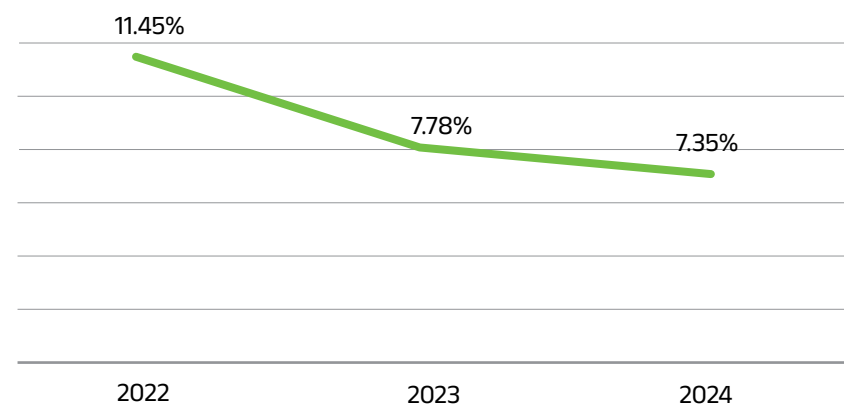
Female 24.14%
Male 75.86%



Contract type

Official employees 99.61%
Probationary employees 0.10%
Trainees 0.29%

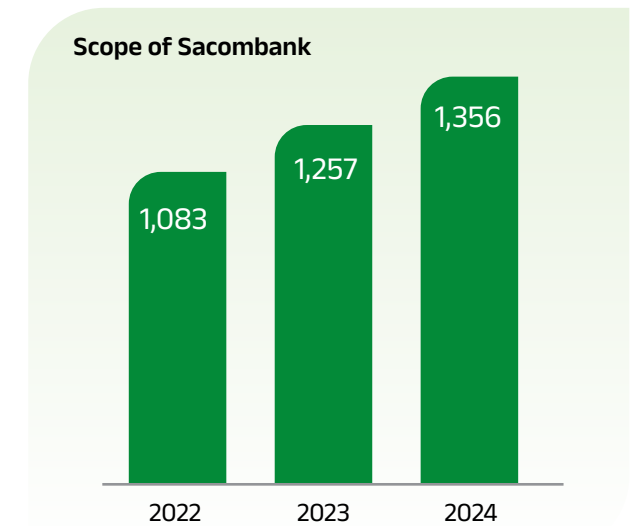
Retirement rate over the years



Sacombank consistently ensures that employees' fundamental rights, as stipulated by the Labor Code, are upheld - including maternity and paternity leave entitlements and job security. For male employees whose spouses give birth, in addition to the 5 - 14 days of paternity leave mandated by law, Sacombank grants one additional day of leave upon request.

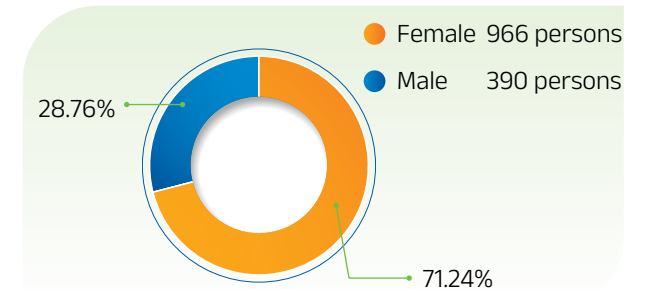
The maternity leave policy applies equally to all Sacombank's employees, regardless of gender, in full compliance with labor regulations. In 2024, 1,356 employees took maternity/paternity leave (966 female, 390 male); 1,036 employees returned to work for at least 1 month (100%); 1,112 remained for at least 12 months (96.28%).

Number of employees on maternity leave over the years

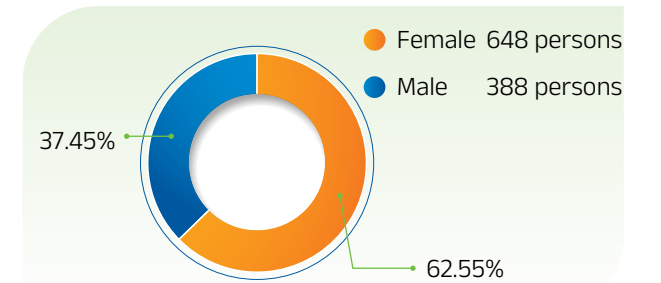


Scope of Sacombank

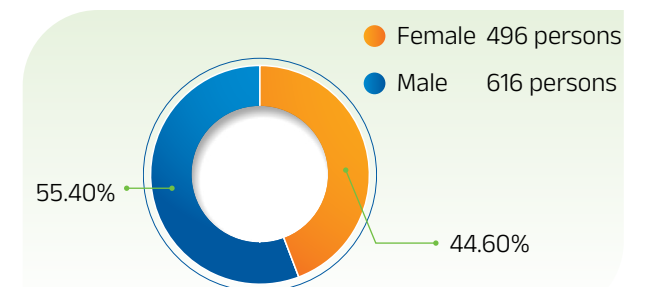
Parental leave gender ratio



Ratio of employees returning to work after 1 month



Ratio of employees returning to work after 12 months



Sacombank ensures fair and transparent compensation based on role, position, performance, and contribution - free from discrimination based on race, color, religion, gender, age, or ethnicity.



Compensation policies are developed to align with business strategies, comply with labor regulations, and remain competitive to attract and retain high-caliber talent.



100% of eligible employees receive performance evaluations.

DETAILED CONTENTS (continued)

HUMAN RESOURCES ARE THE BACKBONE (continued)



Average employee income

VND **32,950,000** /month

◆ In addition to base salary and annual bonuses, Sacombank recognizes employees and teams with ad-hoc rewards for:

- Exceptional achievements in implementing strategies, business plans, or policies.
- Outstanding task execution as evaluated by regional or divisional leaders.
- Innovative ideas improving operations and productivity, particularly those recognized under the “Golden Ideas” program.
- Participation and awards in Sacombank-organized competitions.



- ◆ Sacombank offers a wide range of welfare benefits, including preferential loan packages, free use of banking services, and opportunities for domestic and international travel.
- ◆ In addition to mandatory social and health insurance, Sacombank provides competitive welfare policies to retain talent and attract external candidates:



- Life insurance packages for managers in recognition of their contributions.
- Outstanding Talent mechanism, including bonuses on Bank Anniversary Day and sponsored health insurance for employees, legal spouses, and children.
- Comprehensive health and accident insurance for employees.
- Annual health check-ups for 100% of employees. High-risk roles (e.g., treasurers, fund tellers) receive two check-ups per year.
- On-site medical unit and monthly medication provisions for employees.
- Support for medical expenses in cases of illness or injury.

DETAILED CONTENTS (continued)

HUMAN RESOURCES ARE THE BACKBONE (continued)

◆ Beyond fair compensation, Sacombank emphasizes training and development, offering structured career advancement paths.



- At Sacombank, each employee is provided with a clearly defined career advancement path, reflecting the Bank’s commitment to continuously improving a transparent and supportive promotion process. There are 99% of managers promoted from within the organization. In 2024, 656 managers were newly appointed or rotated. All appointed managers are required to complete standardized training programs designed for their respective roles.
- Sacombank also placed strong emphasis on internal training, with key programs tailored for potential leaders, current staff, and newly recruited employees. Notably, a system-wide series of “Train the Trainer” programs was conducted for internal lecturers at branches, enabling units to proactively organize training activities. This ensures that every employee participates in essential courses to enhance their professional skills. In addition, Sacombank nominated employees for external training to help them stay updated with the latest trends in learning and development.
- The Bank applies a diverse range of training methods, including workshops, seminars, e-learning, mentoring, on-the-job training, and coaching, to address varying learning needs.
- In 2024, Sacombank successfully implemented a mandatory 40-hour annual training program for all employees from unit head level downward (excluding security staff, janitors, and drivers). This initiative fostered a proactive learning culture, empowering employees to independently register for training at the Training Center and access courses via the Learning Management System (LMS).
- To support major projects and initiatives such as the Mentoring Program, Sacombank further enhanced LMS functionalities to facilitate connections between mentors and mentees across all regions. This digital upgrade helped eliminate geographical barriers, encouraged knowledge sharing, and strengthened collaboration across the organization - contributing to Sacombank’s cohesive and growth-driven culture.

TRANSPARENCY AND EFFICIENCY IN CORPORATE GOVERNANCE



Risk management as the core of sustainable banking

- ◆ Sacombank’s leadership consistently regards risk management as a central element in governance and administration, forming an integral part of the Bank’s comprehensive protection strategy. This commitment reinforces trust and peace of mind for customers and stakeholders throughout the journey of sustainable development. The Bank adopts a holistic risk management approach system-wide, encompassing internal mechanisms, regulations, procedures, and policies aligned with standardized practices and international best practices. These regulations are implemented across the organization and are widely disseminated to all employees, ensuring both awareness and integration into day-to-day operations. The Bank also ensures timely updates in accordance with legal requirements and regulations issued by the State Bank of Vietnam. Through continuous adherence and improvement, Sacombank minimizes operational risks and enhances customer trust.



DETAILED CONTENTS (continued)

HUMAN RESOURCES ARE THE BACKBONE (continued)



- ◆ The Bank's risk management structure is based on the Three Lines of Defense model, with clearly defined responsibilities across the First, Second, and Third Lines of Defense. Recognizing the crucial role of the First Line of Defense in overall risk management, Sacombank integrates risk-related criteria into the KPIs of relevant departments.



- ◆ To improve risk management effectiveness, Sacombank regularly updates and implements new regulations from the State Bank of Vietnam and international standards. Notable initiatives include the adoption of Basel III risk management frameworks and the successful completion of the IFRS9 financial reporting project. Looking ahead to 2025, the Bank is planning to advance further through key initiatives such as a credit modeling project, an internal and external fraud prevention initiative, and an ESG framework enhancement program. These efforts not only enhance Sacombank's domestic and international reputation but also improve its ability to manage environmental, social, and governance risks.



- ◆ In addition to traditional risks such as credit, operational, environmental, liquidity, interest rate, and concentration risks, Sacombank believes that proactively managing ESG risks will help mitigate their negative impact on the Bank's operations.



- ◆ Sacombank has developed an Environmental and Social Management System (ESMS) comprising regulatory documents, implementation procedures, programs, reporting tools, and statistical systems that evaluate environmental and social factors when extending credit. This system not only fulfills the requirements of international sponsors but also elevates Sacombank's market position as one of the first banks in Vietnam to integrate environmental and social considerations into the credit approval process.



- ◆ The ESMS - developed with consultation from PwC - was strengthened to thoroughly apply international standards that minimize negative environmental and social impacts. These standards include: (i) the United Nations Global Compact, (ii) the United Nations Environment Programme Finance Initiative (UNEP FI), (iii) the Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy (ILO), and (iv) the Equator Principles and IFC Performance Standards for project finance.

- ◆ By integrating ESG factors into its risk management framework, Sacombank not only minimizes negative environmental and social impacts but also strengthens its credibility and trust among customers and partners. This marks a pivotal step toward sustainable banking, illustrated by the following initiatives:



- ◆ Business Continuity Planning: Clear guidelines and action plans are in place to maintain operational safety during crises, governed by the Bank's Continuous Operations in Crisis Conditions policy.



- ◆ Natural Disaster Risk Assessment: Regular evaluation of natural disaster impacts on infrastructure and operations, along with preventive response protocols, ensures business continuity and stakeholder readiness.



- ◆ Social Risk Management: Sacombank actively manages risks related to customers, employees, and stakeholders, including protecting rights, ensuring workplace safety, and preventing potential conflicts of interest.



DETAILED CONTENTS (continued)

Strengthening the prevention of bribery, money laundering, and financial crimes



- ◆ Recognizing the critical importance of anti-corruption, anti-money laundering (AML), and financial crime prevention, Sacombank has established a dedicated Anti-Corruption, Crime, and Money Laundering Committee. This Committee is responsible for building a comprehensive legal framework and ensuring the implementation of an effective governance structure throughout the Bank. The Committee holds regular meetings every six months, along with ad-hoc sessions when necessary. These meetings provide strategic guidance to subordinate councils, departments, and units in enforcing anti-corruption, crime prevention, and AML measures Bank-wide.

- ◆ Through its commitment to transparency and strong internal governance, Sacombank has achieved the following:

- 01 • Fulfilled its obligations to the State bank of Vietnam and its employees.
- 02 • Ensured full compliance with information disclosure requirements mandated by law and regulatory authorities.
- 03 • Promoted openness and transparency in all banking operations.
- 04 • Applied scientific and technological advancements in operational management.
- 05 • Developed and enforced internal policies, standards, and codes of practice.
- 06 • Established and promoted a comprehensive Employee Code of Conduct, including rotational policies for positions of authority.
- 07 • Built and implemented internal control regulations to enhance oversight.
- 08 • Set up effective channels and procedures for receiving and resolving complaints and denunciations.
- 09 • Conducted regular internal audits and inspections.
- 10 • Issued and enforced stringent regulations related to AML, counter-terrorism financing (CTF), and the prevention of the proliferation of weapons of mass destruction throughout the entire banking system.

Strengthening natural resource management efficiency and emissions control

To effectively control greenhouse gas emissions and promote efficient use of natural resources, Sacombank has implemented a range of targeted measures to manage wastewater and gas emissions across its operations. These include:



- ◆ **Effluent Management:** Sacombank collects and pre-treats wastewater from its sanitary systems using two septic tanks before transferring it to the building's centralized wastewater treatment system. The Bank's wastewater treatment process complies with the Vietnam National Technical Regulation QCVN 14:2008/BTNMT.



- ◆ **Gas Emissions Control:** Installation of necessary ventilation equipment throughout its buildings; Concrete surfacing of yard areas and regular watering of internal roads to suppress dust; Frequent cleaning to maintain air quality; Efficient resource management practices in work areas to reduce paper waste and ink spills, supporting broader environmental protection efforts; Minimization of dust from vehicles by requiring engines to be turned off upon entering the premises; Routine inspections of generator exhaust systems to ensure optimal performance and compliance with emission standards.



Fuel Cost and Consumption

Year	Gasoline Costs (Unit: VND billion)	Total Gasoline Consumption (Unit: liters)
2024	4.88	215,543
2023	4.51	196,983
2022	4.42	169,408



Other Operational expenses

Year	Stationary Costs (Unit: VND billion)	Utility cost (Unit: VND billion)
2024	44	146
2023	52	130
2022	53	126

APPENDIX

SPECIFIC TABLES AND FIGURES

Total of new hires and resignations

2024						
	Total number of employees	Percentage	Number of new hires	New hire ratio	Number of resignations	Rate of employee turnover
By age						
Under 30	4,162	24.40%	707	16.99%	607	14.58%
From 30 to 50	12,304	72.13%	194	1.58%	596	4.84%
Over 50	592	3.47%	0	0.00%	51	8.61%
By gender						
Female	8,237	48.29%	304	3.69%	493	5.99%
Male	8,821	51.71%	597	6.77%	761	8.63%
By geographical region						
Headquarter	1,794	10.52%	162	9.03%	119	6.63%
North	1,237	7.25%	148	11.96%	133	10.75%
Hanoi	1,510	8.85%	115	7.62%	185	12.25%
North Central	1,221	7.16%	46	3.77%	85	6.96%
South Central & Central Highlands	1,498	8.78%	59	3.94%	83	5.54%
Southeast	1,883	11.04%	81	4.30%	113	6.00%
Ho Chi Minh City	4,606	27.00%	186	4.04%	374	8.12%
Southwest	3,309	19.40%	104	3.14%	162	4.90%
Total	17,058	100%	901	5.28%	1,254	7.35%

2023						
	Total number of employees	Percentage	Number of new hires	New hire ratio	Number of resignations	Rate of employee turnover
By age						
Under 30	4,940	28.37%	1,093	22.13%	684	13.85%
From 30 to 50	11,952	68.64%	291	2.43%	623	5.21%
Over 50	520	2.99%	2	0.38%	48	9.23%
By gender						
Female	8,427	48.40%	580	6.88%	594	7.05%
Male	8,985	51.60%	806	8.97%	761	8.47%
By geographical region						
Headquarter	1,684	9.67%	114	6.77%	144	8.55%
North	1,218	7.00%	106	8.70%	116	9.52%
Hanoi	1,586	9.11%	265	16.71%	213	13.43%
North Central	1,258	7.22%	74	5.88%	90	7.15%
South Central & Central Highlands	1,518	8.72%	107	7.05%	101	6.65%
Southeast	1,913	10.99%	118	6.17%	119	6.22%
Ho Chi Minh City	4,871	27.97%	418	8.58%	400	8.21%
Southwest	3,364	19.32%	184	5.47%	172	5.11%
Total	17,412	100.0%	1,386	7.96%	1,355	7.78%

2022						
	Total number of employees	Percentage	Number of new hires	New hire ratio	Number of resignations	Rate of employee turnover
By age						
Under 30	5,665	32.60%	1,573	27.77%	1,061	18.73%
From 30 to 50	11,270	64.85%	349	3.10%	890	7.90%
Over 50	443	2.55%	2	0.45%	38	8.58%
By gender						
Female	8,439	48.56%	915	10.84%	895	10.61%
Male	8,939	51.44%	1,009	11.29%	1,094	12.24%
By geographical region						
Headquarter	1,813	10.43%	206	11.36%	223	12.30%
North	1,219	7.01%	114	9.35%	139	11.40%
Hanoi	1,510	8.69%	352	23.31%	306	20.26%
North Central	1,263	7.27%	88	6.97%	130	10.29%
South Central & Central Highlands	1,497	8.61%	104	6.95%	135	9.02%
Southeast	1,908	10.98%	221	11.58%	164	8.60%
Ho Chi Minh City	4,834	27.82%	625	12.93%	663	13.72%
Southwest	3,334	19.19%	214	6.42%	229	6.87%
Total	17,378	100.0%	1,924	11.07%	1,989	11.45%

APPENDIX (continued)

Information on employees and other workers

Number of employees by gender and contract type¹

Contract type	2024			2023			2022		
	Female	Male	Total employees	Female	Male	Total employees	Female	Male	Total employees
Official employees	8,211	8,781	16,992	8,343	8,867	17,210	8,291	8,809	17,100
Probationary employees	6	11	17	3	10	13	18	20	38
Trainees	20	29	49	81	108	189	130	110	240
Total	8,237	8,821	17,058	8,427	8,985	17,412	8,439	8,939	17,378

Number of employees by gender and geographical area

Geographical area	2024			2023			2022		
	Female	Male	Total employees	Female	Male	Total employees	Female	Male	Total employees
Headquarter	784	1,010	1,794	759	925	1,684	840	973	1,813
North	642	595	1,237	623	595	1,218	617	602	1,219
Hanoi	798	712	1,510	840	746	1,586	815	695	1,510
North Central	593	628	1,221	613	645	1,258	614	649	1,263
South Central & Central Highlands	660	838	1,498	669	849	1,518	667	830	1,497
Southeast	912	971	1,883	928	985	1,913	927	981	1,908
Ho Chi Minh City	2,296	2,310	4,606	2,413	2,458	4,871	2,411	2,423	4,834
Southwest	1,552	1,757	3,309	1,582	1,782	3,364	1,548	1,786	3,334
Total	8,237	8,821	17,058	8,427	8,985	17,412	8,439	8,939	17,378

Number of employees by contract type and geographical area

Geographical area	2024				2023				2022			
	Official employees	Probationary employees	Trainees	Total	Official employees	Probationary employees	Trainees	Total	Official employees	Probationary employees	Trainees	Total
Headquarter	1,778	16	0	1,794	1,677	5	2	1,684	1,786	20	7	1,813
North	1,214	0	23	1,237	1,194	2	22	1,218	1,188	4	27	1,219
Hanoi	1,502	0	8	1,510	1,546	3	37	1,586	1,454	6	50	1,510
North Central	1,217	1	3	1,221	1,248	0	10	1,258	1,249	0	14	1,263
South Central & Central Highlands	1,498	0	0	1,498	1,507	0	11	1,518	1,485	0	12	1,497
Southeast	1,882	0	1	1,883	1,901	0	12	1,913	1,883	1	24	1,908
Ho Chi Minh City	4,596	0	10	4,606	4,807	3	61	4,871	4,755	7	72	4,834
Southwest	3,305	0	4	3,309	3,330	0	34	3,364	3,300	0	34	3,334
Total	16,992	17	49	17,058	17,210	13	189	17,412	17,100	38	240	17,378

¹ Information is stored and managed on Sacombank's SAP SuccessFactors

Direct economic value generated and distributed

Economic value	Items	Amount (VND million)
Economic value generated	Total net income	28,677,118
Economic value distributed	Operating costs	6,563,228
	Employee compensation	7,100,514
	Other employee benefits	318,647
	Tax payments	2,632,870
	Credit risk provision cost	1,974,364
	Total amount of contribution to the community	107,933
Retained Economic value		10,087,495

Gender-based starting salary ratio compared to minimum wage in the region

Region	Minimum wage	Sacombank
Region 1	4,960,000	4,960,000
Region 2	4,410,000	4,410,000
Region 3	3,860,000	3,860,000
Region 4	3,450,000	3,450,000

Diversity of BOD, BOS, BOM, and employee levels

	Total number of employees	Employee ratio	Total number of managerial staff	Managerial staff ratio	Number of members of the Management Board/ Executive Board	Ratio of Management Board members
By age						
Under 30	4,124	28.80%	38	1.40%	0	0.00%
From 30 to 50	9,719	67.88%	2,576	94.67%	11	37.93%
Over 50	475	3.32%	107	3.93%	18	62.07%
By gender						
Female	7,038	49.15%	1,194	43.88%	7	24.14%
Male	7,280	50.85%	1,527	56.12%	22	75.86%

APPENDIX (continued)

GRI CONTENT INDEX

Standard number	GRI standard title	Sustainability report	Page
GRI 2	General disclosure		
GRI 2-1	Organizational details	✓	10-11
GRI 2-2	Entities included in the organization's sustainability reporting	✓	100-101
GRI 2-3	Reporting period, frequency, and contact point	✓	100-101
GRI 2-4	Restatement of information	x	
GRI 2-5	External assurance	x	
GRI 2-6	Activities, value chain, and other business relationships	✓	96-101
GRI 2-7	Employees	✓	128-136
GRI 2-8	Workers who are not employees	x	
GRI 2-9	Governance structure and composition	✓	22-27
GRI 2-10	Nomination and selection of the highest governance body	x	
GRI 2-11	Chair of the highest governance body	✓	24-27
GRI 2-12	Role of the highest governance body in establishing purpose, values, and strategy	✓	26-27
GRI 2-13	Delegation of responsibility for managing impacts	✓	66-75
GRI 2-14	Role of the highest governance body in sustainability reporting	x	
GRI 2-15	Conflicts of interest	✓	82-89
GRI 2-16	Communication of critical concerns	x	
GRI 2-17	Collective knowledge of the highest governance body	x	
GRI 2-18	Evaluation of the performance of the highest governance body	x	
GRI 2-19	Remuneration policies	✓	84, 132-135
GRI 2-20	Process to determine remuneration	x	
GRI 2-21	Annual total compensation ratio	x	
GRI 2-22	Statement on sustainable development strategy	✓	7
GRI 2-23	Compliance with regulations on responsible business conduct, respect for human rights	x	
GRI 2-24	Embedding policy commitments	x	
GRI 2-25	Processes to remediate negative impacts	x	

Standard number	GRI standard title	Sustainability report	Page
GRI 2-26	Mechanisms for seeking advice and raising concerns	x	
GRI 2-27	Compliance with laws and regulations	✓	106-107, 127-133, 140
GRI 2-28	Membership associations	x	
GRI 2-29	Approach to stakeholder engagement	✓	104-107
GRI 2-30	Collective bargaining agreements	x	
GRI 3	Material Topics		
GRI 3-1	Process to determine material topics	x	
GRI 3-2	List of material topics	x	
GRI 3-3	Management of material topics	x	
GRI 201	Economic performance		
GRI 201-1	Direct economic value generated and distributed	✓	34-39, 134, 145
GRI 201-2	Financial implications and other risks and opportunities due to climate change	x	
GRI 201-3	Defined benefit plan obligations and other retirement plans	x	
GRI 201-4	Financial assistance received from government	x	
GRI 202	Market presence		
GRI 202-1	Ratios of standard entry level wage by gender compared to local minimum wage	✓	145
GRI 202-2	Proportion of senior management hired from the local community	x	
GRI 203	Indirect economic impacts		
GRI 203-1	Infrastructure investments and services supported	✓	121-123
GRI 203-2	Significant indirect economic impacts	x	
GRI 204	Purchasing practices		
GRI 204-1	Proportion of spending on local suppliers	x	
GRI 205	Anti-corruption		
GRI 205-1	Operations assessed for risks related to corruption	x	
GRI 205-2	Communication and training about anti-corruption policies and procedures	x	
GRI 205-3	Confirmed incidents of corruption and actions taken	✓	73, 140

APPENDIX (continued)**GRI CONTENT INDEX** (continued)

Standard number	GRI standard title	Sustainability report	Page
GRI 206	Anti-competitive behavior		
GRI 206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	x	
GRI 207	Tax		
GRI 207-1	Approach to tax	x	
GRI 207-2	Tax governance, control, and risk management	x	
GRI 207-3	Stakeholder engagement and management of concerns related to tax	x	
GRI 207-4	Country-by-country reporting	x	
GRI 301	Materials		
GRI 301-1	Materials used by weight or volume	x	
GRI 301-2	Recycled input materials used	✓	124
GRI 301-3	Reclaimed products and their packaging materials	x	
GRI 302	Energy		
GRI 302-1	Energy consumption within the organization	✓	141
GRI 302-2	Energy consumption outside of the organization	x	
GRI 302-3	Energy intensity	x	
GRI 302-4	Reduction of energy consumption	x	
GRI 302-5	Reductions in energy requirements of products and services	x	
GRI 303	Water and effluents		
GRI 303-1	Interactions with water as a shared resource	x	
GRI 303-2	Management of water discharge-related impacts	x	
GRI 303-3	Water withdrawal	x	
GRI 303-4	Water discharge	x	
GRI 303-5	Water consumption	✓	141
GRI 304	Biodiversity		
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	x	

Standard number	GRI standard title	Sustainability report	Page
GRI 304-2	Significant impacts of activities, products, and tourism on biodiversity	x	
GRI 304-3	Habitats protected or restored	x	
GRI 304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	x	
GRI 305	Emissions		
GRI 305-1	Direct (Scope 1) GHG emissions	x	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	x	
GRI 305-3	Other indirect (Scope 3) GHG emissions	x	
GRI 305-4	GHG emissions intensity	x	
GRI 305-5	Reduction of GHG emissions	x	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	x	
GRI 305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	x	
GRI 306	Waste		
GRI 306-1	Waste generation and significant waste-related impacts	x	
GRI 306-2	Management of significant waste-related impacts	x	
GRI 306-3	Waste generated	x	
GRI 306-4	Waste diverted from disposal	x	
GRI 306-5	Waste directed to disposal	x	
GRI 308	Supplier environmental assessment		
GRI 308-1	New suppliers that were screened using environmental criteria	x	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	x	
GRI 401	Employment		
GRI 401-1	New employee hires and employee turnover	✓	142-143
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	x	
GRI 401-3	Parental leave	✓	133
GRI 402	Labor/Management relations		

APPENDIX (continued)**GRI CONTENT INDEX** (continued)

Standard number	GRI standard title	Sustainability report	Page
GRI 402-1	Minimum notice periods regarding operational changes	✓	133
GRI 403	Occupational Health and Safety		
GRI 403-1	Occupational health and safety management system	x	
GRI 403-2	Hazard identification, risk assessment, and incident investigation	x	
GRI 403-3	Occupational health services	✓	133-135
GRI 403-4	Worker participation, consultation, and communication on occupational health and safety	x	
GRI 403-5	Worker training on occupational health and safety	x	
GRI 403-6	Promotion of worker health	✓	133-135
GRI 403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	x	
GRI 403-8	Workers covered by an occupational health and safety management system	x	
GRI 403-9	Work-related injuries	✓	130-135
GRI 403-10	Work-related ill health	✓	133-135
GRI 404	Training and education		
GRI 404-1	Average hours of training per year per employee	✓	136
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	✓	129, 136
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	✓	133
GRI 405	Diversity and equal opportunity		
GRI 405-1	Diversity of governance bodies and employees	✓	132, 145
GRI 405-2	Ratio of basic salary and remuneration of women to men	x	
GRI 406	Non-discrimination		
GRI 406-1	Incidents of discrimination and corrective actions taken	x	
GRI 407	Freedom of association and collective bargaining		
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	x	
GRI 408	Child labor		
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	x	

Standard number	GRI standard title	Sustainability report	Page
GRI 409	Forced or compulsory labor		
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	x	
GRI 410	Security practices		
GRI 410-1	Security personnel trained in human rights policies or procedures	x	
GRI 411	Rights of indigenous peoples		
GRI 411-1	Incidents of violations involving rights of indigenous peoples	x	
GRI 413	Local communities		
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	✓	121-123
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	x	
GRI 414	Supplier social assessment		
GRI 414-1	New suppliers that were screened using social criteria	x	
GRI 414-2	Negative social impacts in the supply chain and actions taken	x	
GRI 415	Public policy		
GRI 415-1	Political contributions	x	
GRI 416	Customer health and safety		
GRI 416-1	Assessment of the health and safety impacts of product and service categories	x	
GRI 416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	x	
GRI 417	Marketing and labeling		
GRI 417-1	Requirements for product and service information and labeling	x	
GRI 417-2	Incidents of non-compliance concerning product and service information and labeling	x	
GRI 417-3	Incidents of non-compliance concerning marketing communications	x	
GRI 418	Customer privacy		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	x	

5 FINANCIAL STATEMENTS

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157 Independent auditor's Report

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162 Consolidated statement of income

164 Consolidated statement of cash flows

166 Notes to the consolidated financial statements

BANK INFORMATION

Decision/Banking Establishment and Operation License

No. 111/GP-NHNN 9 November 2018

No. 84/QĐ-TTGSNH2 19 February 2025

The Bank was established and operated under Banking Operation License No. 111/GP-NHNN issued by the State Bank of Vietnam on 9 November 2018 replacing Banking License No. 0006/NH-GP dated 5 December 1991. The Bank's operation period is 99 years from 5 December 1991.

Business Registration Certificate

No. 0301103908 13 January 1992

The Business Registration Certificate has been amended several times the most recent of which is by Enterprise Registration Certificate No. 0301103908 dated 26 December 2022. The initial Business Registration Certificate and its amendments were issued by the Department of Planning and Investment of Ho Chi Minh City.

Board of Directors

Mr. Duong Cong Minh	Chairman
Ms. Nguyen Duc Thach Diem	Standing Vice Chairman
Mr. Pham Van Phong	Vice Chairman
Mr. Nguyen Xuan Vu	Member
Mr. Phan Dinh Tue	Member
Mr. Vuong Cong Duc	Independent member
Ms. Pham Thi Thu Hang	Independent member

Supervisory Board

Mr. Tran Minh Triet	Chief Supervisor
Mr. Nguyen Van Thanh	Member
Mr. Lam Van Kiet	Member
Ms. Ha Quynh Anh	Member

BANK INFORMATION (continued)

Board of Management

Ms. Nguyen Duc Thach Diem	General Director
Mr. Nguyen Minh Tam	Deputy General Director
Mr. Dao Nguyen Vu	Deputy General Director
Ms. Quach Thanh Ngoc Thuy	Deputy General Director
Mr. Nguyen Ba Tri	Deputy General Director
Mr. Ho Doan Cuong	Deputy General Director
Mr. Ha Van Trung	Deputy General Director
Mr. Hoang Thanh Hai	Deputy General Director
Mr. Le Duc Thinh	Deputy General Director
Ms. Nguyen Thi Kim Oanh	Deputy General Director
Mr. Bui Van Dung	Deputy General Director (until 31 March 2024)

Chief Accountant

Mr. Huynh Thanh Giang	Chief Accountant
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Legal Representative

Ms. Nguyen Duc Thach Diem	General Director
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Registered Office

266-268 Nam Ky Khoi Nghia Street, Vo Thi Sau Ward
District 3, Ho Chi Minh City
Viet Nam

Auditor

KPMG Limited
Vietnam

STATEMENT OF THE BOARD OF MANAGEMENT

THE BOARD OF MANAGEMENT OF SAIGON THUONG TIN COMMERCIAL JOINT STOCK BANK'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

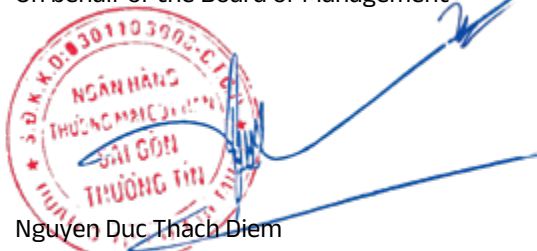
The Board of Management of Saigon Thuong Tin Commercial Joint Stock Bank ("the Bank") presents this statement and the accompanying consolidated financial statements of the Bank and its subsidiaries (collectively referred to as "the Group") for the year ended 31 December 2024.

The Bank's Board of Management is responsible for the preparation and true and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting. In the opinion of the Bank's Board of Management:

- (a) the consolidated financial statements set out on pages from 159 to 262 give a true and fair view of the consolidated financial position of the Bank and its subsidiaries as at 31 December 2024, and of its consolidated results of operations and its consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons for the Bank's Board of Management to believe that the Group will not be able to pay its debts as and when they fall due.

The Bank's Board of Management, on the date of this statement, authorised the accompanying consolidated financial statements for issue.

On behalf of the Board of Management



Nguyen Duc Thach Diem
General Director

Ho Chi Minh City, 31 March 2025

INDEPENDENT AUDITOR'S REPORT

To the Shareholders Saigon Thuong Tin Commercial Joint Stock Bank

We have audited the accompanying consolidated financial statements of Saigon Thuong Tin Commercial Joint Stock Bank ("the Bank") and its subsidiaries (collectively referred to as "the Group"), which comprise the consolidated statement of financial position as at 31 December 2024, the consolidated statement of income and the consolidated statement of cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 31 March 2025, as set out on pages 159 to 262.

The Board of Management's Responsibility

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

Auditor's Responsibility

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

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

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

Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Saigon Thuong Tin Commercial Joint Stock Bank and its subsidiaries as at 31 December 2024, and of their consolidated results of operations and their consolidated cash flows of the Bank and its subsidiaries for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

Emphasis of Matter

We draw attention to Note 3(a) to the consolidated financial statements which describes accounting policies applicable to certain items of consolidated financial statements which are in scope of the Post-merger Restructuring Plan approved the State Bank of Vietnam under Decision No. 34/QĐ-NHNN.Tym, Official Letter No. 426/NHNN-TTGSNH.Tym and Official Letter No. 1010/NHNN-TTGSNH ("the Post-merger Restructuring Plan"). The Bank has recognised, measured and presented certain items in the consolidated financial statements in accordance with the Bank's proposals mentioned in the Post-merger Restructuring Plan.

Our audit opinion is not modified in respect of this matter.

Other Matter

The consolidated financial statements for the year ended 31 December 2023 were audited by another firm of auditors who expressed an unqualified opinion on those statements with an emphasis of matter paragraph on drawing attention to Note 3.4 - "Accounting policies on items in the Restructuring Plan approved by the State Bank of Vietnam", in which the Bank has recognised, measured and presented certain items in the consolidated financial statements in accordance with the proposals in the Restructuring Plan, the report on the implementation progress of the Restructuring Plan and the State Bank of Vietnam's official approval and guidance in the audited financial statements dated 29 March 2024.

KPMG Limited's Branch in Ho Chi Minh City

Vietnam
Audit Report No.: 24-01-00614-25-2



Nelson Rodriguez Casihan
Practicing Auditor Registration
Certificate No. 2225-2023-007-1
Deputy General Director
Ho Chi Minh City, 31 March 2025

Nguyen Thi Dang Phuong
Practicing Auditor Registration
Certificate No. 2254-2023-007-1

CONSOLIDATED STATEMENT OF FINANCIAL POSITION as at 31 December 2024

Form B02/TCTD-HN
(Issued under Circular
No. 49/2014/TT-NHNN
dated 31 December 2014
of the State Bank of Vietnam)

	Note	31/12/2024 VND million	31/12/2023 VND million
A ASSETS			
I Cash on hand, gold, gemstones	4	8,214,653	7,545,270
II Balances with the State Banks	5	17,644,155	12,848,045
III Deposits with and loans to other credit institutions	6	88,241,176	50,332,971
1 Deposits with other credit institutions		80,634,247	50,114,401
2 Loans to other credit institutions		7,606,929	218,570
VI Loans and advances to customers		530,448,003	475,169,108
1 Loans and advances to customers	8	539,314,658	482,731,122
2 Allowance for loans and advances to customers	9	(8,866,655)	(7,562,014)
VIII Investment securities	10	85,648,177	74,635,845
1 Available-for-sale securities		23,554,968	22,562,535
2 Held-to-maturity securities		75,363,197	66,688,978
3 Allowance for losses on investment securities		(13,269,988)	(14,615,668)
IX Long-term investments	11	82,204	82,642
4 Other long-term investments		96,642	97,014
5 Allowance for diminution in value of long-term investments		(14,438)	(14,372)
X Fixed assets		7,355,128	7,269,440
1 Tangible fixed assets	12	4,375,198	4,282,772
a Cost		8,871,194	8,340,278
b Accumulated depreciation		(4,495,996)	(4,057,506)
3 Intangible fixed assets	13	2,979,930	2,986,668
a Cost		5,004,011	4,760,547
b Accumulated amortisation		(2,024,081)	(1,773,879)
XII Other assets		10,461,050	46,506,339
1 Receivables	14(a)	6,727,957	42,027,312
2 Accrued interest and fee receivables	14(b)	5,239,563	5,686,993
3 Deferred tax assets		542,460	397,824
4 Other assets	14(c)	1,488,492	1,300,900
5 Allowance for losses on other assets	14(d)	(3,537,422)	(2,906,690)
TOTAL ASSETS		748,094,546	674,389,660

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

as at 31 December 2024 (continued)

Form B02/TCTD-HN
(Issued under Circular
No. 49/2014/TT-NHNN
dated 31 December 2014
of the State Bank of Vietnam)

	Note	31/12/2024 VND million	31/12/2023 VND million
B LIABILITIES AND EQUITY			
I Due to the Government and the State Bank of Vietnam ("SBV")	15	54,255	19,328
1 Deposits and borrowings from Government and SBV		54,255	19,328
II Deposits and borrowings from other credit institutions	16	70,655,292	37,950,111
1 Deposits from other credit institutions		61,323,310	34,386,028
2 Borrowings from other credit institutions		9,331,982	3,564,083
III Deposits from customers	17	566,881,814	510,744,394
IV Derivatives and other financial liabilities	7	54,007	91,459
V Grants, entrusted funds and loans exposed to risks	18	449,009	323,147
VI Valuable papers issued	19	36,753,523	28,992,491
VII Other liabilities	20	18,274,576	50,534,866
1 Accrued interest and fee payables	20(a)	8,510,442	11,643,974
2 Deferred tax liabilities		29,811	29,660
3 Other liabilities	20(b)	9,710,254	38,836,726
4 Provision for other risks (Provision for contingent liabilities and off-balance sheet commitments)		24,069	24,506
TOTAL LIABILITIES		693,122,476	628,655,796
VIII Owners' equity	22		
1 Capital		20,601,582	20,601,582
a Charter capital		18,852,157	18,852,157
b Capital for construction, purchases of fixed assets		1,121	1,121
c Share premium		1,747,651	1,747,651
e Other capital		653	653
2 Reserves		6,082,598	4,971,157
3 Foreign exchange differences		(138,225)	(225,489)
5 Retained profits		28,426,115	20,386,614
TOTAL EQUITY		54,972,070	45,733,864
TOTAL LIABILITIES AND EQUITY		748,094,546	674,389,660

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF FINANCIAL POSITION


as at 31 December 2024 (continued)

Form B02/TCTD-HN
(Issued under Circular
No. 49/2014/TT-NHNN
dated 31 December 2014
of the State Bank of Vietnam)

	Note	31/12/2024 VND million	31/12/2023 VND million
OFF-BALANCE SHEET ITEMS			
1 Loan guarantees	34	145,561	33,598
2 Commitments on foreign exchange transactions	34	96,982,516	122,663,800
<i>In which:</i>			
▪ Commitments on purchases of foreign currencies		2,872,223	449,709
▪ Commitments on sales of foreign currencies		1,060,117	1,103,464
▪ Commitments on swap transactions		93,050,176	121,110,627
4 Letters of credit	34	7,782,191	7,075,433
5 Other guarantees	34	12,004,614	11,272,335
6 Uncollected accrued interest and fee receivables	35	31,735,519	30,469,857
7 Written-off bad debts	36	9,034,321	6,676,375
8 Other assets and documents	37	78,470,578	84,007,389

31 March 2025

Preparer


 Luu Van Hoa
Accountant

Reviewer


 Huynh Thanh Giang
Chief Accountant

Approver


 Nguyen Duc Thach Diem
General Director


The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2024

Form B03/TCTD-HH
(Issued under Circular
No. 49/2014/TT-NHNN
dated 31 December 2014
of the State Bank of Vietnam)

	Note	2024 VND million	2023 VND million
1 Interest and similar income	23	49,988,721	55,927,329
2 Interest and similar expenses	24	(25,457,023)	(33,854,996)
I Net interest income		24,531,698	22,072,333
3 Fees and commission income	25	6,121,237	6,136,710
4 Fees and commission expenses	25	(3,142,812)	(3,518,807)
II Net fee and commission income	25	2,978,425	2,617,903
III Net gain from trading of foreign currencies	26	1,105,728	1,099,548
V Net gain from sales of investment securities	27	55,547	33,817
5 Other income	28	369,016	445,447
6 Other expenses	28	(367,937)	(118,874)
VI Net other income	28	1,079	326,573
VII Income from investments in other entities	29	4,641	22,837
VIII Operating expenses	30	(13,982,389)	(12,889,906)
IX Operating profits before allowance expenses for credit losses		14,694,729	13,283,105
X Allowance expenses for credit losses	31	(1,974,364)	(3,688,105)

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF INCOME

for the year ended 31 December 2024 (continued)

Form B03/TCTD-HH
(Issued under Circular
No. 49/2014/TT-NHNN
dated 31 December 2014
of the State Bank of Vietnam)

	Note	2024 VND million	2023 VND million
XI Profit before tax		12,720,365	9,595,000
7 Corporate income tax expense – current		(2,787,723)	(2,016,154)
8 Corporate income tax benefit – deferred		154,853	139,770
XII Corporate income tax expense	38	(2,632,870)	(1,876,384)
XIII Profit after tax		10,087,495	7,718,616
XV Basic earnings per share (VND/share)	39	5,351	3,622

31 March 2025

Preparer

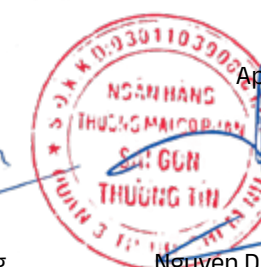
Luu Van Hoa
Accountant

Reviewer

Huynh Thanh Giang
Chief Accountant

Approver

Nguyen Duc Thach Diem
General Director



The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2024

(Direct method)

Form B04/TCTD-HN
(Issued under Circular
No. 49/2014/TT-NHNN
dated 31 December 2014
of the State Bank of Vietnam)

	2024 VND million	2023 VND million
CASH FLOWS FROM OPERATING ACTIVITIES		
01 Interest and similar income received	50,959,785	55,963,261
02 Interest and similar expenses paid	(28,308,950)	(29,631,339)
03 Net fee and commission income received	2,980,388	2,769,866
04 Net receipts from foreign currencies, gold and securities trading activities	1,309,309	1,029,602
05 Other (expenses paid)/income received	(215,173)	243,927
06 Collection of bad debts previously written-off	111,598	79,680
07 Salaries and operating expenses paid	(12,242,695)	(11,560,011)
08 Corporate income tax paid during the year	(2,541,467)	(840,774)
Cash flows from operating activities before changes in operating assets and liabilities	12,052,795	18,054,212
Changes in operating assets	(73,656,967)	(62,898,852)
09 (Increase)/decrease in deposits with and loans to other credit institutions	(7,388,360)	106,735
10 Increase in trading securities	(10,356,865)	(6,433,560)
11 Increase in derivatives and other financial assets	(37,453)	-
12 Increase in loans and advances to customers	(56,589,854)	(43,985,521)
13 Utilisation of allowance for credit losses	(2,061,284)	(1,835,071)
14 Decrease/(increase) in other operating assets	2,776,849	(10,751,435)
Changes in operating liabilities	99,969,421	71,595,994
15 Increase/(decrease) due to the Government and the State Bank of Vietnam	34,927	(9,881,881)
16 Increase in deposits and borrowings from other credit institutions	34,335,896	10,863,621
17 Increase in deposits from customers	56,137,421	56,003,898
18 Increase in valuable papers issued	9,220,304	3,209,262
19 Increase in grants and entrusted funds received	125,863	83,310
20 Increase in derivatives and other financial liabilities	-	201,317
21 Increase in other operating liabilities	979,082	11,126,535
22 Utilisation of reserves	(864,072)	(10,068)
I NET CASH FLOWS FROM OPERATING ACTIVITIES	38,365,249	26,751,354

The accompanying notes are an integral part of these consolidated financial statements

CONSOLIDATED STATEMENT OF CASH FLOWS

for the year ended 31 December 2024


(Direct method – continued)

Form B04/TCTD-HN
(Issued under Circular
No. 49/2014/TT-NHNN
dated 31 December 2014
of the State Bank of Vietnam)

	2024 VND million	2023 VND million
CASH FLOWS FROM INVESTING ACTIVITIES		
01 Payments for purchases of fixed assets	(1,015,860)	(1,287,591)
02 Proceeds from disposals of fixed assets	2,947	9,921
08 Receives from investments in other entities	372	-
09 Receipts of dividends and distributions of profits from long-term investments	4,641	22,837
II NET CASH FLOWS FROM INVESTING ACTIVITIES	(1,007,900)	(1,254,833)
02 Proceeds from issuing long-term valuable papers which are eligible to be included in equity capital and other long-term loans	1,809,625	-
03 Payments for long-term valuable papers which are eligible to be included in equity capital and other long-term loans	(3,268,898)	(37,078)
04 Dividends paid	(2)	(25)
III NET CASH FLOWS FROM FINANCING ACTIVITIES	(1,459,275)	(37,103)
IV NET CASH FLOWS FOR THE YEAR	35,898,074	25,459,418
V CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	70,507,716	45,104,295
VI EFFECT OF EXCHANGE RATE FLUCTUATIONS	87,265	(55,997)
VII CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (NOTE 32)	106,493,055	70,507,716

31 March 2025

Preparer


Luu Van Hoa
Accountant

Reviewer


Huynh Thanh Giang
Chief Accountant

Approver


Nguyen Duc Thach Diem
General Director



The accompanying notes are an integral part of these consolidated financial statements

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2024

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

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

1. REPORTING ENTITY

(a) Establishment and operations

Saigon Thuong Tin Commercial Joint Stock Bank ("the Bank") is a commercial joint stock bank incorporated in the Socialist Republic of Vietnam.

The Bank was established and operated in accordance with Banking Operation License No. 111/GP-NHNN issued by the State Bank of Vietnam on 9 November 2018 replacing Banking License No. 0006/NH-GP dated 5 December 1991, Business Registration Certificate No. 0301103908 dated 13 January 1992 and other amendments issued by Ho Chi Minh City Department of Planning and Investment. The Bank's operation period is 99 years from 5 December 1991.

On 1 October 2015, Southern Commercial Joint Stock Bank was officially merged into Saigon Thuong Tin Commercial Joint Stock Bank according to Decision No. 1844/QĐ-NHNN dated 14 September 2015 issued by the State Bank of Vietnam. Accordingly, Saigon Thuong Tin Commercial Joint Stock Bank has received and inherited all assets and obligations of Southern Commercial Joint Stock Bank since the date of merger.

The Bank is allowed to carry out full range of banking services including mobilizing and receiving short, medium and long-term deposits from organizations and individuals; providing short, medium and long-term loans to organizations and individuals based on the nature and capacity of the Bank's resources; purchasing debts; foreign exchange trading; international trade financing services; discount of commercial papers, bonds and other valuable papers; providing settlement services, operating in monetary market; trading and providing interest derivative products to domestic market; providing banking and financial consultancy; trading in government and corporate bonds; gold trading; cash management services, asset preservation; cabin and safer renting; entrustment and trusteeship services; insurance agent; brokerage and other banking services as allowed by the State Bank of Vietnam.

(b) Charter capital

As at 31 December 2024 and 31 December 2023, the Bank's charter capital is VND18,852,157 million. As at 31 December 2024 and 31 December 2023, the Bank has issued 1,885,215,716 ordinary shares with a par value of VND10,000 per share. The Bank's shares have been listed on the Ho Chi Minh City Stock Exchange. The Bank's share code is STB.

(c) Location and operation network

The Bank's Head Office is located at 266-268 Nam Ky Khoi Nghia Street, Vo Thi Sau Ward, District 3, Ho Chi Minh City, Vietnam. As at 31 December 2024, the Bank had one (1) Head Office, one hundred and nine (109) branches, four hundred and forty-one (441) domestic transaction offices located in cities and provinces in Vietnam (31/12/2023: the Bank had one (1) Head Office, one hundred and nine (109) branches, four hundred and forty-three (443) domestic transaction offices located in cities and provinces in Vietnam).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2024 (continued)

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

(d) Subsidiaries

As at 31 December 2024 and 31 December 2023, the Bank had six (6) subsidiaries as follows:

Entity name	Operation Licence No.	Business activities	Percentage of equity owned and voting rights	
			31/12/2024	31/12/2023
Sacombank Asset Management Company Limited	4104000053	Asset management	100%	100%
Sacombank Leasing Company Limited	65a/GP-NHNN	Mobilising capital and leasing activities	100%	100%
Sacombank Remittance Express Company Limited	0304242674	Foreign currency remittance service and foreign exchange agent	100%	100%
Sacombank Jewelry Company Limited	0305584790	Retailing gold, silver and precious stones, jewelry; commercial inspection; gold trading, manufacturing gold and jewelry	100%	100%
Sacombank (Cambodia) Plc. ("Sacombank Cambodia")	N.27	Banking business	100%	100%
Saigon Thuong Tin Bank Laos Co., Ltd. ("Sacombank Laos")	07/NHNN-Lao	Banking business	100%	100%

(e) Number of employees

As at 31 December 2024, the Group had 18,088 employees (31/12/2023: 18,514 employees).

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31 December 2024 (continued)

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

2. BASIS OF PREPARATION

(a) Statement of compliance

The consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

These standards and relevant statutory requirements may differ in some material respects from International Financial Reporting Standards and the generally accepted accounting principles and standards in other countries. Accordingly, the accompanying consolidated financial statements are not intended to present the consolidated financial position and consolidated results of operations and consolidated cash flows of the Group in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnamese accounting principles, procedures and practices applicable to credit institutions.

(b) Basis of measurement

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

(c) Annual accounting period

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

These consolidated financial statements are prepared for the year ended 31 December 2024.

(d) Accounting and presentation currency

The accounting currency of Sacombank Asset Management Company Limited, Sacombank Leasing Company Limited, Sacombank Remittance Express Company Limited, Sacombank Jewelry Company Limited is Vietnamese Dong ("VND"). The accounting currency of Sacombank Cambodia is the United States Dollar ("USD"). The accounting currency of Sacombank Laos is the Kip ("LAK").

The Bank's accounting currency is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose, rounded to the nearest million ("VND million").

(e) Form of accounting records applied

The Group uses general journals to record its transactions using accounting software.

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(f) Changes in accounting policies

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

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

On 11 July 2024, the Government issued Decree No. 86/2024/ND-CP regulating credit loss allowance level, allowance calculation method and utilisation of allowance in operations of credit institutions and foreign bank branches and cases in which credit institutions amortise reverted interest receivable ("Decree 86"). Decree 86 takes effect from 11 July 2024.

As regulated in Circular 31, Circular No. 11/2021/TT-NHNN dated 30 July 2021 issued by the SBV regulating the classification of assets, credit loss allowance level, allowance calculation method and utilisation of allowance in operations of credit institutions and foreign bank branches ("Circular 11") is superseded since Circular 31 takes effect.

The Group has prospectively adopted the requirements of Circular 31 and Decree 86 since Circular 31 and Decree 86 took effect. Major changes in the Bank's accounting policies of the Bank and the possible impact to the consolidated financial statements, if any, are presented in Notes 3(h).

Application of Circular 21/2024/TT-NHNN

On 28 June 2024, the State Bank of Vietnam issued Circular No. 21/2024/TT-NHNN regulating letter of credit operations and other business activities related to letters of credit ("Circular 21"). Circular 21 takes effect from 1 July 2024.

The Bank has prospectively adopted the requirements of Circular 21 since Circular 21 took effect. Changes in the Bank's accounting policies of the Bank and the possible impact to the consolidated financial statements, if any, are presented in Notes 3(v).

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3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

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

(a) Accounting policies applicable to certain items of consolidated financial statements which are in scope of the Post-merger Restructuring Plan approved the State Bank of Vietnam under Decision No. 34/QD-NHNN.Tym, Official Letter No. 426/NHNN-TTGSNH.Tym and Official Letter No. 1010/NHNN-TTGSNH (hereinafter referred to as "Post-merger Restructuring Plan")

On 22 May 2017, the Post-merger Restructuring Plan of Saigon Thuong Tin Commercial Joint Stock Bank with the implementation period until the end of 2025 and the Bank's proposals mentioned in the Post-merger Restructuring Plan for the financial regimes and resolutions in relation to accrued interest receivables, Vietnam Asset Management Company Limited ("VAMC")'s special bonds, bad debts, doubtful assets and investments during the restructuring period was approved by the State Bank of Vietnam according to Decision No. 34/QD-NHNN.Tym and Official Letter No. 426/NHNN-TTGSNH.Tym. During the implementation of the Post-merger Restructuring Plan, the Bank periodically submits the progress reports, escalates difficulties (if any), and proposes the solution to the State Bank of Vietnam. On 18 December 2020, the State Bank of Vietnam issued Official letter No. 1010/NHNN-TTGSNH to provide guidance on the Bank's additional proposal as specified in the progress report of implementation results of the Post-merger Restructuring Plan.

The contents of the Post-merger Restructuring Plan, the Bank's proposals mentioned in the Post-merger Restructuring Plan and SBV's official approvals, implementation guidance (Decision No. 34/QD-NHNN.Tym, Official Letter No. 426/NHNN-TTGSNH.Tym and Official Letter No. 1010/NHNN-TTGSNH) form the basis for recognition, measurement and presentation of relevant items in the consolidated financial statements. The summary of the Bank's proposals approved by the State Bank of Vietnam are as follow:

- Accrued interest receivables: The Bank is permitted to block accrued interest receivables of certain bad debts and doubtful assets in its financial statements as at 31 December 2015 and amortise such accrued interest receivables to operating expense based on its financial capability over a maximum period of 10 years in line with detailed proposals mentioned in the Post-merger Restructuring Plan;
- Allowance for credit losses: The Bank is permitted to make and allocate allowance for credit losses of certain loans based on its financial capability in line with detailed proposals mentioned in the Post-merger Restructuring Plan;
- Special bonds issued by VAMC: The Bank is permitted to extend term of VAMC's special bond to maximum 10 years from issuance date and make allowance for VAMC's special bonds based on its financial capability during the term of the bonds;

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- Doubtful assets, foreclosed assets: The Bank is required to develop specific processes and plan to completely resolve the foreclosed assets to recover these bad assets; the Bank is permitted to sell its bad debts and doubtful assets to organisations and individuals at market prices, and in case the selling price is lower than the cost, losses arising from sales of these debts is amortised to operating expense based on its financial capability over a maximum period of 5 years from the selling date. Foreclosed assets mentioned in Inspection Conclusion No. 04/KLTT-TTGSNH.m would be addressed by SBV in a separate response later; and
- Investments in excess of 11% of the investee's charter capital and cross ownership: the SBV approved for the Bank to follow the proposed schedule for resolving these investments in the Post-merger Restructuring Plan to comply with the prevailing regulations.

Status of implementation of above-mentioned approved proposals and its effect to the consolidated financial statements are as follows:

- Accrued interest receivables as at December 2022: The Bank has allocated all accrued interest receivables of the bad debts in scope of the Post-merger Restructuring Plan.
- Allowances for credit losses on loans: at 31 December 2022, the Bank made full allowance for credit losses on loans in scope of the Post-merger Restructuring Plan (Note 8);
- Allowance for special bonds issued by VAMC in the Post-merger Restructuring Plan: at 31 December 2023, the Bank made full allowance for special bonds issued by VAMC in scope of the Post-merger Restructuring Plan (Note 10b(iii));
- Doubtful assets, foreclosed assets: at 31 December 2024, the Bank collected a part of doubtful assets, foreclosed assets in scope of the Post-merger Restructuring Plan by transferring the right or collateral secured for obligations of third parties. The Bank also made full allowance for remaining balance of these assets at 31 December 2024 and 2023 (Note 14(a)(ii), Note 14(a)(iii), Note 14(a)(iv) and Note 14(d);
- In addition, at 31 December 2023 and 31 December 2024, the Bank did not hold any investment in shares exceeding 11% of the investee's charter capital.

(b) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

Where the accounting policies of subsidiaries are different from those adopted by the Bank, adjustments have been made where necessary to ensure the consistency of accounting policies adopted for the consolidated financial statements.

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(ii) Transactions eliminated on consolidation

Intra-group balances and transactions and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements.

(c) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, gold, balances with the State Bank, deposits with other credit institutions on demand or with original term to maturity of not more than three months from the transaction date which are readily convertible into certain amounts of cash and subject to insignificant risks converting into cash.

(d) Deposits with and loans to other credit institutions

Deposits with and loans to other credit institutions are presented at the principal amounts outstanding at the end of the year.

The credit risk classification of deposits with and loans to other credit institutions and allowance for credit risks thereof are provided in accordance with Circular 11 (prior 1 July 2024) and Circular 31 (from 1 July 2024).

Accordingly, the Group makes a specific allowance for deposit with (except for current accounts) and loans to other credit institutions according to the method as described in Note 3(h).

According to Circular 31, the Group is not required to make a general allowance for deposit and loans to other credit institutions.

(e) Derivative and other financial assets

(i) Currency forward contracts and currency swap contracts

The Bank involves in currency forward contracts and currency swap contracts to facilitate customers to transfer, modify or minimise foreign exchange risk or other market risks, and also for the trading purpose of the Group.

Forward contracts are commitments to either purchase or sell a designated currency at a specific future date for a specific exchange rates and cash settlement. Forward contracts are recorded at nominal values at the transaction dates and are subsequently revalued at the end of the accounting period; the difference on the revaluation is recognised in the item "Foreign exchange differences" in "Owners' equity" and transferred to the consolidated statement of income at the end of the financial year. The premium or discount due to the difference between the spot exchange rate and the forward exchange rate at the effective date of the contract will be recognised on the separate statement of financial position immediately at the effective date of the contract as an asset if positive or a liability item if it is negative. The difference will be allocated to the consolidated statement of income over the term of the forward contract.

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The swap contracts are commitments to settle in cash on a pre-determined future date based on the difference between pre-determined exchange rates, calculated on the notional principal amount. The amount of premium or discount due to the difference between spot rate and the forward rate at the effective date of the contract will be recognised to the consolidated statement of financial position as an asset item if it is positive or a liabilities item if it is negative. The difference will be allocated to the consolidated statement of income on a straight-line basis over the term of the swap contract.

(ii) Currency option contracts

Commitments in currency options are not recognised in the consolidated statement of financial position. Fees for options paid or received are recorded as receivables or payables and are amortised on a straight-line to income or expense during the year of the contract.

The contractual value of currency option contracts is revaluated monthly at the spot rate at month-end. Unrealized gains or losses at each month end are recorded in "Foreign exchange difference" in monthly consolidated statement of financial position and transferred to the consolidated statement of income at the year end.

(f) Purchased debts

Purchased debts are recognised at the amount which has been paid for debt purchase and classified into the group of which is not lower than the group of debts classified before purchase. Interest receipt including the interest incurred before the purchase is recognised using the following principles: (i) reduce the value of purchased debts by the interest amount before the purchase date; (ii) recognise the interest income in the period by the amount incurred after the purchase date.

The Group classifies debts and makes allowance for purchased debt in accordance with the regulations on making and using allowance against credit risk as described in Note 3(h).

(g) Loans to customers

Loans to customers are stated at the amount of principal less allowance for credit losses.

Debt classification and allowance for credit losses for loans and advances to customers are made in accordance with the requirements of Circular 11 (prior 1 July 2024) and Circular 31 and Decree 86 (from 11 July 2024) as described in Note 3(h).

Short-term loans have maturity of not more than one year from disbursement date. Medium-term loans have maturity of more than one to five years from disbursement date. Long-term loans have maturity of more than five years from disbursement date.

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(h) Loan classification and allowance for credit losses

(i) Loan classification

Prior 1 July 2024

The classification of deposits with other credit institutions (except for current deposits and deposits at the Bank for Social Policies in accordance with the regulations of the SBV on the maintenance of deposit balances at the Bank for Social Policies by state-owned CIs), purchase and entrusted purchase of corporate bonds (including bonds issued by other CIs) that have not been listed on the stock market or have not been registered for trading on UPCOM (collectively referred to as “unlisted bonds”), excluding purchase of unlisted bonds using entrusted capital, for which the trustee bears the risk; loans to customers and loans to other CIs (including loans, financial leases, discounts, rediscounts of negotiable instruments and other valuable papers, factorings, credit extension in the form of credit card issuance and payments in lieu of off-balance sheet commitments); credit entrustment; debts that have been sold but the proceeds therefrom have not been fully collected; repurchased debts; reserve repos of government bonds on stocks market; purchase of promissory notes, bills and certificates of deposit issued by other CIs shall be carried out according to the method based on quantitative factors as prescribed in Article 10 of Circular 11. Accordingly, the Group performs monthly debt classification based on the principal balance on the last day of the month.

From 1 July 2024

The classification of debts for deposits with other CIs (except for demand deposits and deposits at the Bank for Social Policies in accordance with the regulations of the SBV on the maintenance of deposit balances at the Bank for Social Policies by state-owned CIs); purchase and entrusted purchase of corporate bonds (including bonds issued by other CIs) that have not been listed on the stock market or have not been registered for trading on UPCOM (collectively referred to as “unlisted bonds”), excluding purchase of unlisted bonds using entrusted capital, for which the trustee bears the risk; loans to customers and loans to other CIs (including loans, financial leases, discounts, rediscounts of negotiable instruments and other valuable papers, factorings, credit extension in the form of credit card issuance and payments in lieu of off-balance sheet commitments); credit entrustment; debts that have been sold but the proceeds therefrom have not been fully collected; repurchased debts; reserve repos of government bonds on stocks market; purchase of certificates of deposit issued by other CIs; receivables arising from letter of credit issuance, letter of credit reimbursement, letter of credit negotiation, and outright purchases without recourse of sets of documents presented under L/Cs without recourse (collectively referred to as “debts”) shall be carried out according to the method based on requirements as prescribed in Article 10 of Circular 31. Accordingly, the Bank classifies its debts on a monthly basis based on the outstanding principals of debts on the last day of each month.

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The Bank classifies debt using the following quantitative method:

Group		Overdue status
1	Standard debts	(a) Current debts assessed as fully and timely recoverable, both principals and interest; or (b) Debts overdue less than 10 days and assessed as fully recoverable, both overdue principals and interest, and fully and timely recoverable, both remaining principals and interest; or (c) Debts classified into Group 1 as meeting criteria to be classified into a group with lower level of risk.
2	Special mentioned debts	(a) Debts overdue up to 90 days, except those specified in point (b) of Standard debts and those classified into a group with higher level of risk as prescribed; or (b) Debts rescheduled for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed; or (c) Debts classified into Group 2 as meeting criteria to be classified into a group with lower level of risk or debts classified into a group with higher level of risk as prescribed.
3	Sub-standard debts	(a) Debts overdue between 91 days and 180 days, except those classified into a group with higher level of risk as prescribed; or (b) Debts extended for the first time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed; or (c) Debts having interest exempted or reduced because customers are not able to pay the interest in full according to credit contracts, except those classified into a group with higher level of risk as prescribed; or (d) Debts falling in one of the following cases that have not yet been collected within less than 30 days from the issuance date of recovery decision: <ul style="list-style-type: none"> ◆ Debts having violated regulations specified in clauses 1, 3, 4, 5, 6 of Article 134 of Law on credit institutions; or ◆ Debts having violated regulations specified in clauses 1, 2, 3, 4 of Article 135 of Law on credit institutions; or ◆ Debts having violated regulations specified in clauses 1, 2, 5, 9 of Article 136 of Law on credit institutions. (e) Debts in the collection process under inspection conclusions; or (f) Debts recovered under premature debt recovery decisions of the Bank due to customers' breach of agreements without being collected within less than 30 days from the issuance date of recovery decision; or (g) Debts classified into Group 3 as meeting criteria to be classified into a group with lower level of risk or debts classified into a group with higher level of risk as prescribed; or (h) Debts classified into Group 3 as required by the SBV corresponding to the level of risk based on inspection and supervision results and relevant credit information.

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Group	Overdue status
4	<p>Doubtful debts</p> <p>(a) Debts overdue between 181 days and 360 days, except those classified into a group with higher level of risk as prescribed; or</p> <p>(b) Debts restructured for the first time and overdue up to 90 days according to the first restructured terms, except those classified into a group with higher level of risk as prescribed; or</p> <p>(c) Debts restructured for the second time and repaid on schedule, except those meeting criteria to be classified into a group with lower level of risk and those classified into a group with higher level of risk as prescribed; or</p> <p>(d) Debts specified in point (d) of Sub-standard debt without being collected for between 30 days and 60 days from the issuance date of recovery decisions; or</p> <p>(e) Debts in the collection process under inspection conclusions but being overdue up to 60 days according to recovery term; or</p> <p>(f) Debts recovered under premature debt recovery decisions of the Bank due to customers' breach of agreements without being collected for between 30 days and 60 days from the issuance date of recovery decisions; or</p> <p>(g) Debts classified into Group 4 as meeting criteria to be classified into a group with lower level of risk or debts classified into a group with higher level of risk as prescribed; or</p> <p>(h) Debts classified into Group 4 as required by the SBV corresponding to the level of risk based on inspection and supervision results and relevant credit information.</p>
5	<p>Loss debts</p> <p>(a) Debts overdue more than 360 days; or</p> <p>(b) Debts restructured for the first time and overdue from 91 days according to the first restructured terms of repayments; or</p> <p>(c) Debts restructured for the second time and overdue according to the second restructured terms of repayments; or</p> <p>(d) Debts restructured for the third time or more, except those meeting criteria to be classified into a group with lower level of risk as prescribed; or</p> <p>(e) Debts specified in point (d) of Sub-standard debt without being collected for more than 60 days from the issuance date of recovery decision; or</p> <p>(f) Debts in the collection process under inspection conclusions but being overdue for more than 60 days according to recovery term; or</p> <p>(g) Debts recovered under premature debt recovery decisions of the Bank due to customers' breach of agreements without being collected for more than 60 days from the issuance date of recovery decisions; or</p> <p>(h) Debts to other credit institutions announced under special control status, or to foreign banks' branches of which capital and assets are blockaded; or</p> <p>(i) Debts classified into Group 5 as meeting criteria to be classified into a group with higher level of risk as prescribed; or</p> <p>(j) Debts classified into Group 5 as required by the SBV corresponding to the level of risk based on inspection and supervision results and relevant credit information.</p>

Where a customer has more than one debt with the Group and any of the outstanding debts is classified into a higher risk group, the Group has to classify the entire remaining debts of that customer into the corresponding higher risk group.

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In case a customer's debt is classified into a loan group with a lower risk group than the loan group according to the classification result provided by the Vietnam National Credit Information Center under the State Bank of Vietnam ("CIC"), the Group must adjust the debt classification results according to the loan group provided by the CIC.

For off-balance sheet commitments, the Group classifies debts based on the number of overdue days from the date when the Bank performs committed obligations:

- Group 3 – Sub-standard debts: overdue for a period of less than 30 days;
- Group 4 – Doubtful debts: overdue for a period of between 30 days and 90 days;
- Group 5 – Loss debts: overdue for a period of no less than 90 days.

Debt classification for debts with restructured repayment terms, interest and fee exemption and reduction to support customers affected by the Covid-19 pandemic

The Bank applies Circular No. 14/2021/TT-NHNN dated 7 September 2021 ("Circular 14") and Circular No. 03/2021/TT-NHNN dated 2 April 2021 ("Circular 03") of the State Bank of Vietnam amending and supplementing a number of articles of Circular No. 01/2020/TT-NHNN dated 13 March 2020 ("Circular 01") of the State Bank of Vietnam providing regulations on loan restructuring regulating, interest and/or fees exemption or reduction and loan classification retention to assist customers affected by the Covid-19 pandemic. Accordingly, for customers with debts arising before 1 August 2021 and the obligation to repay principal and/or interest arises during the year from 23 January 2020 to 30 June 2022, and these customers are unable to repay the principal and/or interest on time according to the signed loan contract or agreement due to a decrease in revenue and income due to the impact of the Covid-19 pandemic, the Bank is allowed to restructure the debt repayment period, waive or reduce interest and fees, and maintain the debt group as follows:

Disbursement date	Overdue status	Overdue date	Principle of loan classification retention
Before 1/8/2021	Current or overdue for a period of 10 days	From 30/3/2020 to 30/6/2022	Retain the latest loan classification as before 23 January 2020 or as before the first-time restructuring date
Before 23/1/2020	Overdue	From 23/1/2020 to 29/3/2020	Retain the latest loan classification as before 23 January 2020
From 23/1/2020 to 10/6/2020		From 23/1/2020 to 17/5/2021	Retain the latest loan classification as before overdue transferring date
From 10/6/2020 to 1/8/2021		From 17/7/2021 to 7/9/2021	

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Debt classification for debts with restructured repayment term, keeping the debt group unchanged to support customers facing difficulties in production and business activities and customers facing difficulties in repaying loans for living and consumption needs

From 24 April 2023, the Bank restructures the debt repayment period and maintain the debt group to assist customers facing difficulties in repaying loans for living and consumption needs according to the provisions of Circular No. 02/2023/TT-NHNN issued by the State Bank of Vietnam on 23 April 2023 ("Circular 02") and Circular No. 06/2024/TT-NHNN issued by the State Bank of Vietnam on 18 June 2024 ("Circular 06") amending and supplementing some articles of Circular 02. Accordingly, the Bank will restructure the debt repayment period and maintain the debt group at the most recent time before restructuring for debts that meet the following conditions:

- Debt incurred before 24 April 2023 from lending activities and arising obligations to repay principal and/or interest during the year from 24 April 2023 to 31 December 2024;
- The outstanding balance of the debt with restructured repayment term is within the due date or overdue up to 10 days from the due date of payment;
- The Bank assesses customers who are unable to repay the principal and/or interest on time according to the contract due to a decrease in revenue and income but are able to repay the principal and/or interest in full according to the restructured repayment period.

(ii) Allowance for credit losses

Allowance for credit losses comprises specific allowance for credit losses and general allowance for credit losses.

Specific allowance for credit losses

In accordance with Circular 11 (prior 1 July 2024) and Decree 86 (from 1 July 2024), the Bank determines specific allowance for credit losses based on the allowance rates corresponding to debt classification results and outstanding loan principals at the last day of each month less the allowed value of collaterals. The specific allowance as at 31 December 2024, is calculated based on the debt classification result and outstanding loan principal balance as at 31 December 2024.

The specific allowance rate applied to each debt group is as follows:

Group	Type	Specific allowance rate
1	Standard debts	0%
2	Special mentioned debts	5%
3	Sub-standard debts	20%
4	Doubtful debts	50%
5	Loss debts	100%

The maximum value and deduction rate of collaterals are determined according to the regulations of Circular 11 (prior 1 July 2024) and Decree 86 (from 11 July 2024), whereby each type of security has a certain maximum deduction rate for the purpose of allowance calculation.

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Debt classification for debts with restructured repayment terms, interest and fee exemption and reduction to support customers affected by the Covid-19 pandemic

The Group determines and records the specific amount of additional allowance be set aside for all outstanding customer debt annually, including debt balances with restructured terms according to Circular 11 (prior 1 July 2024) and Circular 31 (from 1 July 2024) (if not applying the regulation on maintaining the debt group according to the provisions of Circular 01, Circular 03 and Circular 14) as follows:

Additional allowance for each stage	Duration
At least 30% of the additional specific allowance must be made	As of 31 December 2021
At least 60% of the additional specific allowance must be made	As of 31 December 2022
100% of the additional specific allowance must be made	As of 31 December 2023

Specific allowance for debts with restructured repayment term, keeping the debt group unchanged to support customers facing difficulties in production and business activities and customers facing difficulties in repaying loans for living and consumption needs

The Group measures and records the specific amount of additional allowance for all outstanding customer debt annually, including debt balances with restructured terms, exempted or reduced interest according to the debt classification results according to Circular 11 (before 1 July 2024) and Decree 86 (from 1 July 2024) (if not applying the regulation on maintaining the debt group according to the provisions of Circular 02 and Circular 06) as follows:

Additional allowance	Timeline
At least 50% of the additional specific allowance must be made.	As of 31 December 2023
100% of the additional specific allowance must be made.	As of 31 December 2024

At 31 December 2024, the Bank has fully made 100% required additional specific allowance.

General allowance for credit losses

According to Circular 11 (prior 1 July 2024) and Decree 86 (from 1 July 2024), a general allowance for credit losses is made at the rate of 0.75% of the total outstanding principal balance on the last working day of each month of debts from Group 1 to Group 4 excluding term deposits and loans to other credit institutions, purchases of valuable papers issued by other credit institutions, and repurchases of government bonds.

The application of the requirements stipulated by Circular 31 and Decree 86 has no material effect on the Bank's financial statements for the year ended 31 December 2024.

(iii) Write-off bad debts

In accordance with Circular 11 (prior 1 July 2024) and Decree 86 (from 11 July 2024), loans to customers are written-off against the allowance when they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations) or borrowers are deceased or missing (for borrowers being individuals).

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

(iv) Allowance for off-balance sheet commitments

The debt classification of off-balance sheet commitments is to control and monitor credit quality. The Bank is not required to make allowance for off-balance sheet commitments, except where the Group has been required to made payment under the guaranteed contract, in which case the payment on behalf is classified and allowance for credit losses is made in accordance with the accounting policy as described in Note 3(h)(i) and Note 3(h)(ii).

(i) Investment securities**(i) Available-for-sale securities***Classification and recognition*

Available-for-sale securities include debt and equity securities that are acquired by the Group for the investment and available-for-sale purposes, not regularly traded but can be sold when there is a benefit. For equity securities, the Group is also neither the founding shareholder nor the strategic partner and does not have the ability to make certain influence in establishing and making the financial and operating policies of the investees through a written agreement on assignment of its personnel to the Board of Directors/Board of Management.

Available-for-sale equity securities are initially recognised at cost at the purchase date and continuously presented at cost in subsequent periods.

Available-for-sale debt securities are recognised at par value at the purchase date. Accrued interest (for debt securities with interest payment in arrears) and deferred interest (for debt securities with interest payment in advance) is recognised in a separate account. Discount/premium, which is the difference between the cost and the amount being the par value plus (+) accrued interest (if any) or minus (-) deferred interest (if any) is also recognised in a separate account.

In subsequent periods, these securities are continuously recognised at par value, and the discount/premium (if any) is amortised to the consolidated statement of income on a straight-line basis over the remaining term of securities. Interest received in arrears is recognised as follow: Cumulative interest incurred before the purchasing date is recognised as a decrease in the accrued interest; cumulative interest incurred after the purchasing date is recognised as income based on the accumulated method. Interest receivable in advance is amortised into the securities investment interest income on a straight-line basis over the term of securities investment.

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*Measurement***Prior 1 July 2024**

Periodically, available-for-sale securities will be considered for allowance for diminution.

Allowance for impairment for diminution of securities is made when carrying value of the securities is higher than its market value in compliance with Circular No. 48/2019/TT-BTC and Circular No. 24/2022/TT-BTC. Allowance for impairment is recognised in the "Net gain/(loss) from investment securities" account of the consolidated statement of income.

For corporate bonds that have not yet been listed on the securities market or have not been registered for trading on unlisted public companies, the Group shall make allowance for those bonds in accordance with Circular 11 as described in Note 3(h)(iii).

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

From 1 July 2024

Periodically, available-for-sale securities will be considered for allowance for diminution.

Allowance for impairment for diminution of securities is made when carrying value of the securities is higher than its market value in compliance with Circular No. 48/2019/TT-BTC and Circular No. 24/2022/TT-BTC. Allowance for impairment is recognised in the "Net gain/(loss) from investment securities" account of the consolidated statement of income.

For corporate bonds that have not yet been listed on the securities market or have not been registered for trading on unlisted public companies, the Bank shall make allowance for those bonds in accordance with Decree 86 as described in Note 3(h)(iii).

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

The application of the requirements stipulated by Decree 86 has no material effect on the Group's consolidated financial statements for the year ended 31 December 2024.

Derecognition

Available-for-sale securities are derecognised when the rights to receive cash flows from the securities have expired or the Group has transferred substantially all risks and rewards of ownership of these securities.

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(ii) Held-to-maturity securities

Classification and recognition

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

The Group recognises held-to-maturity securities on the date it becomes a party to the contractual provisions of these securities (trade date accounting).

Measurement

Prior 1 July 2024

Held-to-maturity debt securities are initially recognised at cost, which includes purchase price plus directly attributable costs such as brokerage, transaction, information, taxes, fees and bank charges (if any). These securities are subsequently recognised at amortised cost (affected by amortization of discounts and premiums) less allowance for securities risks (including allowance for credit risks and allowance for securities value diminution). Premiums and discounts arising from the purchase of debt securities are amortised to the consolidated statement of income on a straight-line basis over the holding period.

Held-to-maturity debt securities of unlisted enterprises are recorded at cost less credit risk provision in accordance with Circular 11 as presented in Note 3(h).

Post-acquisition interest income from held-to-maturity securities is recognised in the consolidated statement of income on an accrual basis. Interest income from held-to-maturity securities which is attributable to the period before acquisition date is deducted from the carrying amount of held-to-maturity securities.

The allowance for credit losses of held-to-maturity unlisted corporate bonds and allowance for diminution in the value of other held-to-maturity securities as mentioned above are reversed if the recoverable amount increases after the allowance being recognised. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

From 1 July 2024

Held-to-maturity debt securities are initially recognised at cost, which includes purchase price plus directly attributable costs such as brokerage, transaction, information, taxes, fees and bank charges (if any). These securities are subsequently recognised at amortised cost (affected by amortization of discounts and premiums) less allowance for securities risks (including allowance for credit risks and allowance for securities value diminution). Premiums and discounts arising from the purchase of debt securities are amortised to the consolidated statement of income on a straight-line basis over the holding period.

Held-to-maturity debt securities of unlisted enterprises are recorded at cost less credit risk provision in accordance with Decree 86 as presented in Note 3(h).

Post-acquisition interest income from held-to-maturity securities is recognised in the consolidated statement of income on an accrual basis. Interest income from held-to-maturity securities which is attributable to the period before acquisition date is deducted from the carrying amount of held-to-maturity securities.

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The allowance for credit losses of held-to-maturity unlisted corporate bonds and allowance for diminution in the value of other held-to-maturity securities as mentioned above are reversed if the recoverable amount increases after the allowance being recognised. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognised.

The application of the requirements stipulated by Decree 86 does not have material effect on the Group's financial statements for the year ended 31 December 2024.

Derecognition

Held-to-maturity securities are derecognised when the rights to receive cash flows from these securities have expired or the Bank has transferred substantially all risks and rewards of ownership of with these securities.

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

Special bonds issued by VAMC are valuable papers with specific term issued by VAMC to purchase bad debts from the Group. Special bonds are recognised at par value at the transaction date and continuously recognised at par value in subsequent periods. Par value of special bonds relating to the bad debts sold, is the difference between the outstanding loan balance and unused balance of specific allowance of loan.

During the holding period, the Group annually calculates and make allowance in accordance with Circular No. 14/2015/TT-NHNN dated 28 August 2015 amending and supplementing some articles of Circular No. 19/2013/TT-NHNN which stimulates the purchase, sale and write-off bad debts of VAMC.

As required by Circular No. 14/2015/TT-NHNN, each year within five consecutive working days prior to the maturity date of special bonds, the Group is obliged to fully make specific allowance for each special bond using the below formula:

$$X_{(m)} = \frac{Y}{n} \times m - (Z_m + X_{m-1})$$

In which:

- $X_{(m)}$ is minimum allowance for special bonds in the m^{th} year;
- X_{m-1} is accumulated specific allowance for special bonds in the $m - 1^{\text{th}}$ year;
- Y is par value of special bonds;
- n is term of the special bond (years);
- m is the number of years from the bond issuance date to the provision date;
- Z_m is accumulated bad debt recoveries at the allowance date (m^{th} year). Credit institutions should cooperate with VAMC to determine the recovery of the bad debts.

If $(Z_m + X_{m-1}) \geq (Y/n \times m)$, the specific allowance ($X_{(m)}$) will be zero (0).

Specific allowance for each special bond is recognised in the consolidated statement of income in "Allowance expense for credit losses". General allowance is not required for the special bonds.

Allowance for special bonds issued by VAMC belonging to the Post-merger Restructuring Plan is made in compliance with the Post-merger Restructuring Plan (Note 3(a)).

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On settlement date of special bonds, interest receipt from recovering of debts is recognised into "Interest and similar income" of consolidated statement of income.

(j) Repurchase and reverse repurchase agreements

Securities sold under agreements to repurchase at a specific date in the future are not derecognised from the consolidated financial statements. The corresponding cash received is recognised in the consolidated statement of financial position as a liability item. The difference between the sale price and repurchase price is recognised to the consolidated statement of income using contract interest rate.

Securities purchased under agreements to resell at a specific date in the future are recognised in the consolidated financial statements. The corresponding cash paid is recognised in the consolidated statement of financial position as an asset item. The difference between the repurchase price and sale price is recognised to the consolidated statement of income using contract interest rate.

Allowance for debt purchased with commitment to resell belonging to the Restructuring Plan is made in compliance with the official approval, guidance of the SBV for the Post-merger Restructuring Plan and the Bank's proposals mentioned in the Post-merger Restructuring Plan (Note 3(a)).

(k) Other long-term investments

Other long-term investments represent investments in other entities in which the Group holds less than or equal to 11 % of voting rights. These investments are initially recorded at cost at the investment date.

Registered trading securities on unlisted public company market (UPCoM), allowance for diminution in value is made when their actual market price which determined by weighted average prices within the last 30 transaction days before the statement of financial position date announced by the Stock Exchange, is lower than the book value of the securities. In case of no transactions available within 30 days for such the securities prior to the statement of financial position date, the Group determines the allowance rate for each investment similar to other investments below.

Accordingly, allowance for diminution in the value of each investment is made using below formula:

Level of allowance for investment	=	Actual rate of charter capital (%) of the Bank at a business organisation at the time of making the allowance	x	Parties' actual investment capital at the business organisation receiving capital contribution at the time of making the allowance	-	Actual equity capital of business organisation at the time of making the allowance
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Allowance is reversed when the recoverable amount of the investment increases after the allowance made. Allowance is reversed up to the extent that the carrying value of the investment does not exceed the carrying value of this investment assuming that no allowance is recognised.

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(l) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs, maintenance, and overhaul costs, is charged to consolidated statement of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

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

▪ buildings and structures	5 - 35 years
▪ machines and equipment	3 - 8 years
▪ motor vehicles	7 - 10 years
▪ other fixed assets	6 - 25 years

(m) Intangible fixed assets

(i) Land use rights

Land use rights comprise: land use rights acquired in a legitimate transfer.

Land use rights are stated at cost less accumulated amortisation. The initial cost of land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights.

Indefinite land use rights are stated at cost and are not amortised.

Definite land use rights are stated at cost less accumulated amortisation on a straight-line basis over the period ranging from 7 to 61 years.

(ii) Computer software

Cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and recognised as an intangible asset. Software cost is amortised on a straight-line basis within 4- 5 years.

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(n) Leases

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

(o) Other assets

(i) Construction in progress

Construction in progress represents the costs of construction and purchases of machinery equipment which have not been fully completed or installed. No depreciation is provided for construction in progress during the year of construction and installation.

(ii) Receivables classified as credit risk bearing assets

Doubtful assets, foreclosed assets which are receivables from credit activities in scope of the Post-merger Restructuring Plan are recorded, measured, and made allowance by the Group in accordance with the approval documents of the State Bank of Vietnam on the Post-merger Restructuring Plan and the Group's proposals mentioned in the Post-merger Restructuring Plan as described in Note 3(a).

Receivables, which are not in scope of the Post-merger Restructuring Plan, are classified as credit risk bearing assets are stated at cost less any allowance for credit losses. The Group classifies and makes allowance for these receivables in accordance with the accounting policy as described in Note 3(h).

(iii) Other assets

Other receivables not classified as credit risk bearing assets are stated at cost less allowance for other assets.

Other receivables not classified as credit risk bearing assets are considered as allowance for credit risks based on the aging schedule of overdue receivables or the expected loss that may occur in the event that the debt has not yet reached maturity, but the economic organisation is bankrupt or undergoing dissolution procedures; the debtor is missing, absconding, being prosecuted, tried by law enforcement agencies, or serving a sentence or has died. The arising allowance costs are recognised in "Operating expenses" during the year.

For overdue receivables, the provisioning level is set based on the reference to Circular No. 48/2019/TT-BTC as follows:

Overdue status	Allowance rate
Over 6 months to less than 1 year	30%
From 1 to less than 2 years	50%
From 2 to less than 3 years	70%
From 3 years and above	100%

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(iv) Prepaid expenses and deferred expenses

Prepaid expenses include short-term prepaid expenses or long-term prepaid expenses on the consolidated financial statements and are amortised over the period for which the prepayments are made or the period in which economic benefits are generated from these expenses.

(p) Deposits and borrowings from other credit institutions, customers' deposits and valuable papers issued

Deposits and borrowings from other credit institutions, customers' deposits and issuance of valuable papers are disclosed and presented at the principal balance at the end of the year. At the time of initial recognition, the cost of issuing valuable papers is recorded as a reduction in the principal balance of the valuable papers. The Bank gradually allocates these costs to "Interest and similar costs" using the straight-line method in accordance with the term of the valuable papers.

(q) Payables and accruals

Payables and accruals are recognised for amounts to be paid in the future for goods and services received, whether or not the Bank has received invoices from the supplier.

(r) Fiduciary assets

Fiduciary activities that the Bank bears no risks

The Bank carries out fiduciary activities. Assets held on behalf of the customers are not recorded in the consolidated financial statements since they are not assets of the Bank.

Fiduciary activities that the Bank bears the risks

The Bank receives entrusted funds from the entrustors in order to grant loans to customers. The Bank records loans granted from entrusted funds in the loans and advances to customers. The accounting policy for these loans is described in Note 3(h).

(s) Technology and Science Development Fund

According to the relevant regulations and Official Letter No. 10186/NHNN-TCKKT dated 24 December 2009 issued by the State Bank of Vietnam to the Bank, the Technology and Science Development Fund is recognised immediately in general administration expenses when this fund is made and credited to a separate account in other liabilities. The Fund is used for fixed assets or operating expenses that are allowed to be netted-off by this fund.

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(t) Capital*(i) Charter capital*

Ordinary shares are stated at par value. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(ii) Share premium

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

(u) Reserves*(i) Statutory reserves*

Prior 1 July 2024

The Bank and Sacombank Leasing Company Limited

According to the Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government stipulating on the financial regime applicable to credit institutions and foreign bank branches ("Decree 93"), the Bank and Saigon Thuong Tin Bank Leasing Company Limited are required to make the statutory reserves before distribution of profit after tax as follow:

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

From 1 July 2024

According to Law on Credit Institutions No. 32/2024/QH15 passed by the National Assembly on 18 January 2024 and Decree 93, the Bank and Saigon Thuong Tin Bank Leasing Company Limited are required to make the statutory reserves before distribution of profit after tax as follow:

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

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Saigon Thuong Tin Bank Laos Co., Ltd.

According to the Law on Commercial Bank dated 16 January 2007, Saigon Thuong Tin Bank Laos Co., Ltd. is required to use profits after tax to make the following allocations before distribution of profits:

- Statutory reserves.
- Business development reserve and other reserves.

In accordance with the regulations on Capital Safety No. 1/BOL dated 28 August 2001 of the Governor of the Bank of Lao P.D.R and other relevant guidelines, commercial banks are required to allocate to statutory reserves at least 5% profits after tax after deducting accumulated losses, this reserve is made until reaching 10% of tier 1 capital. Based on this requirement, the Board of Management will determine the specific allocation rate annually. Business development reserve and other reserves are made based on the decision of the Board of Management.

Sacombank Asset Management Co., Ltd.

In accordance with Circular No. 27/2002/TT-BTC dated 22 March 2002 issued by Ministry of Finance, the distribution of profits, the establishment of funds and the purposes of using the Company's funds are carried out in accordance with current regulations applicable to the Parent Bank.

(ii) Other reserves

Other reserves comprise investment and development fund and other reserves appropriated from the profit after tax of the Bank and its subsidiaries decided by the shareholders at the Annual General Meeting. These reserves are not required by laws, fully distributable and classified as part of equity.

(v) Off-balance sheet items*Commitments and contingent liabilities*

From time to time, the Group has outstanding commitments to extend credit. These commitments take the form of approved loans and overdraft facilities. The Group also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. The contingent liabilities and commitments may expire without being advanced in whole or in part. Therefore, the amounts do not represent a firm commitment of future cash flows.

Deferred payment letter of credit includes a clause that allows the beneficiary to receive payment immediately or before the due date of the letter of credit

Before 1 July 2024, when the Group receives notification from the reimbursing bank that payment has been made to the beneficiary, the Group records the amount payable to the reimbursing bank as a borrowing from other credit institution, and simultaneously records the receivables from the customer in other assets.

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From 1 July 2024, when the reimbursing bank makes payment to the beneficiary, the Group must assume debt with the reimbursing bank, and the customer must simultaneously assume debt with the Group for the amount the reimbursing bank has paid to the beneficiary according to the commitment in the letter of credit. Upon receiving notification from the reimbursing bank that payment has been made to the beneficiary, the Group records the amount of debt assumed with the reimbursing bank as a borrowing from other credit institution, and simultaneously records the amount that the customer has assumed debt for as a loan to customer.

The application of Circular 21 has no material impact on the Group's consolidated financial statements for the year ended 31 December 2024.

(w) Interest income and expenses

Interest income is recognised in the consolidated statement of income on the accrual basis, except for interest income from debts classified in Group 2 to Group 5 (as described in Note 3(h)) and debts classified in Group 1 resulting from the implementation of Government's programs. When debts classified in Group 2 to Group 5 (as described in Note 3(h)) and debts classified in Group 1 resulting from the implementation of Government's programs, the accrued interest receivable is derecognised from the balance sheet and recognised in the off-balance sheet and interest income from these debts is recognised in the consolidated statement of income upon receipt.

When debts maintained in Group 1 resulting from the implementation of special rulings of the State authorities, the accrued interest receivable is derecognised from the balance sheet and recognised in the off-balance sheet and interest income from these debts is recognised in the consolidated statement of income upon receipt.

Interest expense is recognised in the consolidated statement of income on the accrual basis.

(x) Fees and commission income

Fees and commission income is recognised when earned.

(y) Revenue from investment activities

Revenue from securities investment activities is determined based on the difference between the selling price and the average cost price of the securities. Revenue is recognised in consolidated statement of income when substantial risk and rewards of assets right transferred to buyers.

Cash dividends received from investment activities are recognised as income when the Group's right to receive dividends is established. Stock dividends and bonus shares received are not recognised as income of the Group but only the number of shares is updated.

(z) Income and expenses from the sale of debts

Income and expenses from the sale of debts are recognised in accordance with Circular No. 09/2015/TT-NHNN issued by the SBV providing guidance on the purchase and sale of debts of credit institutions and foreign bank branches. Accordingly, the difference between the debt purchase and sale prices and book value of the debt seller is accounted as follows:

For debts that are being recorded in-balance sheet:

- ♦ If the sale price of debts is higher than the book value, the difference is recorded as income of the Bank in the period;

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- ♦ If the sale price of debts is lower than the book value, the difference is offset from the compensation from the individuals or collectives (in case of losses caused by individuals or collectives and are required to compensate in accordance with regulations), insurance claims from the insurers and the risk provision being established and recorded in expenses, the deficit is recorded as expenses of the Bank in the period;

For debts being recorded in off-balance sheet, debts removed from the balance sheet, the proceeds from the sale of the debt are recorded as other income of the Bank.

Book value of debts purchased and sold is the book value of the principal, interest and related financial obligations (if any) of debts recorded in the consolidated statement of financial position or the off-balance-sheet at the date of debt purchase or sale; or the book value at the date of writing-off of debts; or the book value of debts written off previously at the date of debt purchase and sale.

Debt purchase and sale price are the sum of money to be paid by a debt purchaser to a debt seller under a debt purchase and sale contract.

(aa) Other income

Receivables which have recorded as income but then they are assessed to be uncollectable or are not collected at maturity date will be recognised as a reduction of income when are incurred in the same period or recognised as expense when incurred in a different year and monitored off-balance-sheet. The Group recognise other income in the consolidated statement of income upon actual receipt.

(bb) Corporate income tax

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

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

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

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences 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.

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(cc) Foreign currency transactions

In accordance with the accounting system of the Group, all transactions are recorded in original currencies. Monetary assets and liabilities denominated in foreign currencies are translated into VND using exchange rates ruling at the consolidated statement of financial position. Income and expenses arising in foreign currencies during the year are converted into VND at rates ruling at the transaction dates. Foreign exchange differences arising from the translation of monetary assets and liabilities are recognised and followed in the "Foreign exchange differences" under "Owners' Equity" section and will be transferred to the consolidated statement of income at the end of the accounting year.

At the reporting date, the assets and liabilities of the overseas subsidiary in other reporting currencies are translated into VND at the exchange rates prevailing at the balance sheet date for consolidation. Revenue and expenses of overseas subsidiaries are converted into VND at the average exchange rate of the accounting period.

Foreign exchange differences arising from the conversion to consolidate foreign subsidiaries mentioned above are recorded in the item "Foreign exchange differences" under equity on the consolidated financial statements.

(dd) Provisions

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

Severance allowance and unemployment insurance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more ("the eligible employees") voluntarily terminates his/her labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their average salary for the six-month period prior to the end of the annual accounting period. For the purpose of determining the number of years of service by an employee, the period for which the employee participated in and contributed to unemployment insurance in accordance with prevailing laws and regulations and the period for which severance allowance has been paid by the Group are excluded.

(ee) Related parties

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

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(ff) Segment reporting

A segment is a distinguishable component of the Group that is 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. The Group's primary format for segment reporting is based on geographical segments. The secondary format for segment reporting is based on business segments.

(gg) Classification of financial instruments

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

(i) Financial assets***Financial assets at fair value through profit or loss***

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

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

Held-to-maturity investments

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

- ◆ those that the Group, upon initial recognition, designates as at fair value through profit or loss;
- ◆ those that the Group designates as available-for-sale; and
- ◆ those that meet the definition of loans and receivables.

Loans and receivables

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

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

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Available-for-sale financial assets

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

- ♦ loans and receivables;
- ♦ held-to-maturity investments; or
- ♦ financial assets at fair value through profit or loss.

(ii) Financial liabilities

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities carried at amortised cost

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

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

(hh) Earnings per share

The Bank presents basic earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Bank by the weighted average number of ordinary shares outstanding during the year. Diluted EPS is determined by adjusting the profit or loss attributable to the ordinary shareholders and the weighted average number of ordinary shares outstanding for the effect of all dilutive potential ordinary shares, which comprise convertible bonds and share options.

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(ii) Nil balances

Items or balances required by Circular No. 49/2014/TT-NHNN issued by the State Bank of Vietnam on 31 December 2014 ("Circular 49") and Circular No. 27/2021/TT-NHNN issued by the State Bank of Vietnam on 31 December 2021 to amend and supplement a number of articles of the Accounting System of Credit Institutions issued together with Decision No. 479/2004/QĐ-NHNN dated April 29, 2004 and the financial reporting regime for credit institutions issued together with Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 of the Governor of the State Bank of Vietnam that are not shown in these consolidated financial statements are understood to have a balance of zero.

4. CASH ON HAND, GOLD, GEMSTONES

	31/12/2024 VND million	31/12/2023 VND million
Cash in VND	5,035,215	5,594,415
Cash in foreign currencies	3,080,781	1,834,343
Gold	60,173	53,787
Jewelry	29,662	51,614
Gemstones and others	8,822	11,111
	<u>8,214,653</u>	<u>7,545,270</u>

5. BALANCES WITH THE STATE BANKS

	31/12/2024 VND million	31/12/2023 VND million
Deposits and compulsory reserve (i)		
▪ In VND	15,064,382	10,651,247
▪ In foreign currencies	708,720	760,637
Deposits at the Bank of Lao P.D.R (ii)	312,254	376,356
Deposits at the National Bank of Cambodia (iii)	1,558,799	1,059,805
	<u>17,644,155</u>	<u>12,848,045</u>

- (i) Under State Bank of Vietnam's regulations relating to the compulsory reserve, banks are permitted to maintain a floating balance for compulsory reserve requirement ("CRR"). The monthly average balance of the reserve at State Bank of Vietnam must not be less than relevant CRR rates multiplied with the previous month's average balances of deposits of State Bank of Vietnam.

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The compulsory deposit rates at period-end are as follows:

	The compulsory deposit rates	
	31/12/2024	31/12/2023
<i>Customers' deposits:</i>		
▪ Demand deposits and deposits in VND with term of less than 12 months	3.00%	3.00%
▪ Deposits in VND with term of 12 months and above	1.00%	1.00%
▪ Demand deposits and deposits in foreign currencies with term of less than 12 months	8.00%	8.00%
▪ Deposits in foreign currencies with term of 12 months and above	6.00%	6.00%
<i>Overseas credit institutions' deposits:</i>		
▪ Deposits in foreign currencies	1.00%	1.00%

- (ii) Deposits at the Bank of Lao P.D.R include deposits in Lao Kip ("LAK") and currencies other than LAK relating to activities of the Bank's subsidiary in the Lao People's Democratic Republic and compulsory deposits following the regulations of the Bank of Lao P.D.R.

The compulsory deposit rates at the period-end are as follows:

Type of deposits	Compulsory deposit rates	
	31/12/2024	31/12/2023
▪ Deposits in LAK with term of less than 12 months	8.00%	8.00%
▪ Deposits in LAK with term of 12 months and above	0.00%	0.00%
▪ Deposits in currencies other than LAK with term of less than 12 months	10.00%	10.00%
▪ Deposits in currencies other than LAK with term of 12 months and above	0.00%	0.00%

Deposits at the Bank of Lao P.D.R are interest-free.

- (iii) Deposits at the National Bank of Cambodia include deposits in Cambodia Riel ("KHR") and currencies other than KHR relating to activities of the Bank's subsidiary in the People's Republic of Cambodia and compulsory deposits following the regulations of the National Bank of Cambodia. The compulsory deposits are calculated by multiplying previous month average deposit balances and compulsory deposit rates.

The compulsory deposit rates at the period-end are as follows:

	Compulsory deposit rates	
	31/12/2024	31/12/2023
▪ Deposits in currencies other than KHR	7.00%	7.00%
▪ Deposits in KHR	9.00%	9.00%

Deposits in KHR of 7% are interest free, deposits in currencies other than KHR of 9% earn interest at the rate stipulated by the National Bank of Cambodia based on the interest rates for term deposits.

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6. DEPOSITS WITH AND LOANS TO OTHER CREDIT INSTITUTIONS

	31/12/2024 VND million	31/12/2023 VND million
Deposits with other credit institutions		
Demand deposits		
▪ In VND	13,513,532	13,419,994
▪ In foreign currencies	6,331,933	7,421,812
Term deposits		
▪ In VND	56,629,000	28,120,000
▪ In foreign currencies	4,159,782	1,152,595
	<u>80,634,247</u>	<u>50,114,401</u>
Loans to other credit institutions		
▪ In VND	7,192,044	-
▪ In foreign currencies	414,885	218,570
	<u>7,606,929</u>	<u>218,570</u>
	<u>88,241,176</u>	<u>50,332,971</u>

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Analysis of credit quality of term deposits with and loans to other credit institutions is as follows:

	31/12/2024 VND million	31/12/2023 VND million
Group 1 – Standard debts	68,395,711	29,491,165

7. DERIVATIVES AND OTHER FINANCIAL ASSETS/LIABILITIES

As at 31 December 2024	Total contract value (at foreign exchange rate at contract date)	Total carrying value (at foreign exchange rate as at 31 December 2024)	
		Assets VND million	Liabilities VND million
Currency derivatives			
▪ Forward currency contracts	3,018,962	-	8,187
▪ Swap currency contracts	46,344,158	-	45,820
	49,363,120	-	54,007

As at 31 December 2023	Total contract value (at foreign exchange rate at contract date)	Total carrying value (at foreign exchange rate as at 31 December 2023)	
		Assets VND million	Liabilities VND million
Currency derivatives			
▪ Forward currency contracts	1,499,696	-	8,807
▪ Swap currency contracts	59,381,589	-	82,652
	60,881,285	-	91,459

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8. LOANS AND ADVANCES TO CUSTOMERS

	31/12/2024 VND million	31/12/2023 VND million
Loans to domestic economic entities and individuals (*)	526,118,317	471,378,083
Loans to foreign economic entities and individuals	6,976,590	6,237,112
Finance leases	5,572,862	4,638,330
Frozen and debts waiting for handling	412,000	412,000
Discounted transferrable instruments and valuable papers	221,919	62,537
Other loans	12,970	3,060
	539,314,658	482,731,122

(*) Included in the balances of doubtful debts and loss debts as at 31 December 2024 were debts amounting to VND30,000 million (31/12/2023: VND46,500 million) being made allowance for credit losses in accordance with the Post-merger Restructuring Plan and the Bank's proposals mentioned in the Post-merger Restructuring Plan approved by SBV as described in Note 3(a). The provision has been fully made during the year ended 31 December 2022.

Analysis of loans by credit quality is as follows:

	31/12/2024 VND million	31/12/2023 VND million
Group 1 – Standard debts	522,224,177	468,241,584
Group 2 – Special mentioned debts	4,133,291	3,505,472
Group 3 – Sub-standard debts	1,459,877	1,490,299
Group 4 – Doubtful debts	2,627,546	4,593,502
Group 5 – Loss debts	8,869,767	4,900,265
	539,314,658	482,731,122

Analysis of loans by currency is as follows:

	31/12/2024 VND million	31/12/2023 VND million
In VND	523,354,303	468,098,174
In foreign currencies	15,960,355	14,632,948
	539,314,658	482,731,122

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Analysis of loans by industries is as follows:

	31/12/2024 VND million	31/12/2023 VND million
Administrative activities and supporting service	199,923,908	211,961,149
Trading, repair of motor vehicles, motorcycles and other vehicles	69,097,075	51,532,760
Agriculture, forestry and fisheries	52,521,946	42,117,519
Construction	49,700,537	42,913,190
Manufacturing and processing	36,779,349	25,416,410
Real estate business activities	22,455,686	6,301,208
Transportation and warehousing	15,619,717	13,818,156
Electricity, gas, hot water, steam and air conditioning supply	7,456,339	7,704,296
Financial services, banking and insurance activities	7,379,187	6,894,384
Education and training	6,361,722	5,543,395
Hotel and accommodation services	6,914,994	5,333,073
Health and social support activities	2,826,550	3,180,710
Mining exploration	1,641,399	1,455,613
Activities of Communist Party, socio-political organisation, public administration and defence; compulsory social security	1,298,710	1,123,089
Hired labour in households, production of materials products and self-consumption services of households	901,257	153,920
Science and technology activities	425,248	311,670
Information and communication	408,642	140,609
Arts, entertainment and recreation	213,850	140,563
Water supply, sewerage, waste management and remediation activities	-	6,130
Others	57,388,542	56,683,278
	<u>539,314,658</u>	<u>482,731,122</u>

Analysis of loans by terms is as follows:

	31/12/2024 VND million	31/12/2023 VND million
Short-term loans	343,508,420	304,684,401
Medium-term loans	58,328,797	53,310,217
Long-term loans	137,477,441	124,736,504
	<u>539,314,658</u>	<u>482,731,122</u>

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Analysis of loans by type of customers and ownership is as follows:

	31/12/2024 VND million	31/12/2023 VND million
Loans to economic entities		
▪ Other limited liability companies	119,661,238	103,839,711
▪ Other joint stock companies	112,520,530	98,730,327
▪ State-owned companies	3,193,840	4,455,608
▪ Private companies	4,785,800	3,947,519
▪ Foreign owned companies	2,691,031	2,101,651
▪ One-member limited liability companies of which 100% charter capital owned by the State	342,766	393,256
▪ Cooperatives and inter-cooperatives	283,690	192,048
▪ Limited liability companies with two or more members of which more than 50% charter capital held or controlled by the State	173,238	189,164
▪ Joint stock companies which the State owned more than 50% of charter capital or share capital with voting rights or over which the State has control in accordance with the companies' charter	115,818	73,464
▪ Partnership	401	2,151
▪ Others	2,633,184	2,438,376
	<u>246,401,536</u>	<u>216,363,275</u>
Loans to individuals	292,913,122	266,367,847
	<u>539,314,658</u>	<u>482,731,122</u>

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9. ALLOWANCE FOR LOANS AND ADVANCES TO CUSTOMERS

Allowance for loans and advances to customers comprises of:

	31/12/2024 VND million	31/12/2023 VND million
General allowance (i)	3,976,512	3,583,769
Specific allowance (ii)	4,890,143	3,978,245
	<u>8,866,655</u>	<u>7,562,014</u>

(i) Movements in the general allowance for loans and advances to customers during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	3,583,769	3,267,326
Allowance made during the year (Note 31)	389,682	317,419
Other decrease	-	(1,330)
Foreign exchange difference	3,061	354
Closing balance	<u>3,976,512</u>	<u>3,583,769</u>

(ii) Movements in specific allowance for loans and advances to customers during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	3,978,245	2,362,858
Allowance made during the year (Note 31)	1,642,000	1,965,445
Other increase	-	10,744
Allowance used to write off bad debts during the year	(755,694)	(371,406)
Foreign exchange difference	25,592	10,604
Closing balance	<u>4,890,143</u>	<u>3,978,245</u>

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10. INVESTMENT SECURITIES

(a) Available-for-sale securities

	31/12/2024 VND million	31/12/2023 VND million
Debt securities	23,548,753	22,556,350
▪ Government bonds (i)	11,639,439	17,645,512
▪ Bonds and deposit certificates issued by other domestic credit institutions (ii)	11,900,000	4,900,000
▪ Debt securities issued by foreign entities	9,314	10,838
Equity securities	6,215	6,185
▪ Issued by domestic economic entities	5,580	5,580
▪ Issued by foreign economic entities	635	605
	<u>23,554,968</u>	<u>22,562,535</u>
Allowance for available-for-sale investment securities		
▪ Allowance for diminution in value (iv)	(12,129)	(12,786)
	<u>23,542,839</u>	<u>22,549,749</u>

(i) These are government bonds with original terms from 5 years to 15 years and interest rates from 1.80% per annum to 8.80% per annum, interest is paid annually. In which, certain bonds with carrying amount of VND1,350,481 million is currently deposited at the Vietnam Securities Depository and Clearing Corporation and the SBV Transaction Office (31 December 2023: VND1,350,873 million) as collateral for credit limit to borrow from other credit institutions and the SBV.

(ii) These are bonds and deposit certificates issued by domestic credit institutions with terms from 6 months to 3 years and interest rates from 3.90% per annum to 7.20% per annum, principal is paid at the end of the term. Interest on deposits with a term of not more than 12 months is paid at the end of the term. Interest on deposits with a term of more than 12 months is paid annually.

The listing status of available-for-sale investment securities is as follows:

	31/12/2024 VND million	31/12/2023 VND million
Debt securities	23,548,753	22,556,350
Listed	11,639,439	17,645,512
Unlisted	11,909,314	4,910,838
Equity securities	6,215	6,185
Unlisted	6,215	6,185
	<u>23,554,968</u>	<u>22,562,535</u>

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(b) Held-to-maturity investment securities

	31/12/2024 VND million	31/12/2023 VND million
Debt securities	60,415,187	50,256,081
▪ Government bonds (i)	57,915,187	45,456,081
▪ Bonds and certificates of deposit issued by other domestic credit institutions (ii)	2,500,000	4,800,000
Special bonds issued by VAMC	14,948,010	16,432,897
▪ Par value of special bonds (iii)	14,948,010	16,432,897
	75,363,197	66,688,978
Allowance for losses on held-to-maturity investment securities	(13,257,859)	(14,602,882)
▪ Allowance for special bonds issued by VAMC	(13,257,859)	(14,602,882)
	62,105,338	52,086,096

(i) Government bonds have original term from 5 years to 15 years and earn interest at rates ranging from 0.80% per annum to 8.90% per annum, interest is paid annually. In which, certain bonds with carrying value of VND5,474,231 million (31 December 2023: VND3,670,750 million) is deposited at Viet Nam Securities Depository and Clearing Corporation and SBV Transaction Office as collateral for credit limit to borrow from other credit institutions and the SBV.

(ii) Deposit certificates issued by domestic credit institutions have original term 1 year and earn the interest rates ranging from 4.30% per annum to 4.50% per annum, interest is paid annually.

(iii) These are special bonds issued by Vietnam Asset Management Company ("VAMC") to purchase bad debts of the Bank. These bonds have original term from 5 years to 10 years with interest at rate of 0.00%. Par value of these special bonds is the difference between the outstanding loan balance and the corresponding unused specific allowance at the purchasing date.

Included in the balances of special bonds as at 31 December 2024 were special bonds with valued VND450,000 million that matured on 18 December 2023, which is in scope of the Post-merger Restructuring Plan with collaterals are STB shares owed by individual. At the date of this report, the Group has been waiting for guidance of VAMC and SBV to proceed the settlement procedures. In addition, the Group has made full allowance for it.

Movements in bonds issued by VAMC during the year are as follows:

	2024 VND million	2023 VND million
Opening balance	16,432,897	21,514,587
Settlement during the year	(1,484,887)	(5,081,690)
Closing balance	14,948,010	16,432,897

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Movements in provisions for bonds issued by VAMC during the year are as follows:

	2024 VND million	2023 VND million
Opening balance	14,602,882	14,639,238
Allowance (reversed)/made during the year (Note 31)	(40,207)	1,427,309
<i>In which: reversal during the year relating to Special Bonds issued by VAMC issued in the scope of Post-merger Restructuring Plan</i>	-	(64,724)
Allowance utilised to write off Special Bonds issued by VAMC	(1,304,816)	(1,463,665)
Closing balance	13,257,859	14,602,882

11. LONG-TERM INVESTMENTS

	31/12/2024 VND million	31/12/2023 VND million
Investments in economic entities		
▪ Unlisted	96,642	97,014
▪ Allowance for diminution in value of long-term investments (i)	(14,438)	(14,372)
	82,204	82,642

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

	2024 VND million	2023 VND million
Opening balance	14,372	8,202
Allowance made during the year (Note 30)	66	6,170
Closing balance	14,438	14,372

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Year ended 31 December 2024	Building, structures	Machinery, equipment	Motor vehicles	Others	Total
	VND million	VND million	VND million	VND million	VND million
Cost					
Opening balance	3,654,267	3,416,226	855,817	413,968	8,340,278
Additions during the year	38,928	73,435	17,856	18,500	148,719
Transfer from construction in progress (Note 14(a)(i))	18,843	626,236	2,852	24,554	672,485
Disposals	(1,503)	(285,004)	(3,528)	(4,021)	(294,056)
Foreign exchange differences	(1,006)	4,067	768	(61)	3,768
Closing balance	3,709,529	3,834,960	873,765	452,940	8,871,194
Accumulated depreciation					
Opening balance	1,054,955	2,177,154	531,759	293,638	4,057,506
Charge for the year	126,399	438,374	111,247	48,923	724,943
Disposals	(1,162)	(282,668)	(3,528)	(3,704)	(291,062)
Foreign exchange differences	96	3,313	756	444	4,609
Closing balance	1,180,288	2,336,173	640,234	339,301	4,495,996
Net book value					
Opening balance	2,599,312	1,239,072	324,058	120,330	4,282,772
Closing balance	2,529,241	1,498,787	233,531	113,639	4,375,198

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Year ended 31 December 2023	Building, structures	Machinery, equipment	Motor vehicles	Others	Total
	VND million	VND million	VND million	VND million	VND million
Cost					
Opening balance	3,617,185	3,031,551	810,798	398,039	7,857,573
Additions during the year	1,533	50,887	68,097	12,564	133,081
Transfer from construction in progress (Note 14(a)(i))	64,625	414,677	20,643	16,774	516,719
Other increases	181	-	-	-	181
Disposals	(7,966)	(80,872)	(43,530)	(6,234)	(138,602)
Other decreases	-	(1,955)	-	-	(1,955)
Foreign exchange differences	(21,291)	1,938	(191)	(7,175)	(26,719)
Closing balance	3,654,267	3,416,226	855,817	413,968	8,340,278
Accumulated depreciation					
Opening balance	915,698	1,804,568	435,755	211,757	3,367,778
Charge for the year	155,210	451,340	139,796	92,591	838,937
Disposals	(4,046)	(78,283)	(43,530)	(5,788)	(131,647)
Other decreases	-	(1,955)	-	-	(1,955)
Foreign exchange differences	(11,907)	1,484	(262)	(4,922)	(15,607)
Closing balance	1,054,955	2,177,154	531,759	293,638	4,057,506
Net book value					
Opening balance	2,701,487	1,226,983	375,043	186,282	4,489,795
Closing balance	2,599,312	1,239,072	324,058	120,330	4,282,772

As at 31 December 2024 and 31 December 2023, included in machinery, equipment are assets financed by Technology and Science Development Fund with cost of VND53,012 million. The Bank's accounting policy adopted for these assets are different from that adopted for similar assets not financed by Technology and Science Development Fund. Accordingly, the depreciation charge of these assets was deducted from Technology and Science Development Fund.

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12. TANGIBLE FIXED ASSETS (CONTINUED)

Other disclosure information of tangible fixed assets is as follows:

	31/12/2024 VND million	31/12/2023 VND million
Net book value of temporarily idle tangible fixed assets	117,185	121,694
Fully depreciated tangible fixed assets still in use	2,073,857	1,892,820

13. INTANGIBLE FIXED ASSETS

Year ended 31 December 2024	Land use rights	Software	Others	Total
	VND million	VND million	VND million	VND million
Cost				
Opening balance	2,615,561	2,143,860	1,126	4,760,547
Additions during the year	-	5,118	-	5,118
Transfer from construction in progress (Note 14(a)(i))	-	245,835	-	245,835
Disposals	-	(9,402)	(299)	(9,701)
Foreign exchange differences	(304)	2,516	-	2,212
Closing balance	2,615,257	2,387,927	827	5,004,011
Accumulated amortisation				
Opening balance	72,410	1,700,669	800	1,773,879
Charge for the year	8,597	249,170	147	257,914
Disposals	-	(9,394)	(299)	(9,693)
Foreign exchange differences	-	1,981	-	1,981
Closing balance	81,007	1,942,426	648	2,024,081
Net book value				
Opening balance	2,543,151	443,191	326	2,986,668
Closing balance	2,534,250	445,501	179	2,979,930

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Year ended 31 December 2023	Land use rights	Software	Others	Total
	VND million	VND million	VND million	VND million
Cost				
Opening balance	2,618,285	1,903,229	903	4,522,417
Additions during the year	-	5,569	263	5,832
Transfer from construction in progress (Note 14(a)(i))	-	236,862	-	236,862
Disposals	-	(1,934)	-	(1,934)
Reclassified	-	40	(40)	-
Foreign exchange differences	(2,724)	94	-	(2,630)
Closing balance	2,615,561	2,143,860	1,126	4,760,547
Accumulated amortisation				
Opening balance	63,787	1,400,096	652	1,464,535
Charge for the year	8,623	302,988	148	311,759
Disposals	-	(1,934)	-	(1,934)
Foreign exchange differences	-	(481)	-	(481)
Closing balance	72,410	1,700,669	800	1,773,879
Net book value				
Opening balance	2,554,498	503,133	251	3,057,882
Closing balance	2,543,151	443,191	326	2,986,668

Other disclosure information of intangible fixed assets are as follows:

	31/12/2024 VND million	31/12/2023 VND million
Net book value of temporarily idle intangible fixed	392,784	393,425
Fully amortised intangible fixed assets still in use	1,598,038	1,210,605

Included in software are assets financed by Technology and Science Development Fund with cost of VND42,949 million. The Bank's accounting policy adopted for these assets are different from that adopted for similar assets not financed by Technology and Science Development Fund. Accordingly, the depreciation charge of these assets was deducted from Technology and Science Development Fund.

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14. OTHER ASSETS**(a) Receivables**

	31/12/2024 VND million	31/12/2023 VND million
Constructions in progress (i)		
▪ OMNICHANNEL Banking project	118,910	241,027
▪ LOS system project	124,532	-
▪ Office building in Tay Ninh Town, Tay Ninh Province	71,062	71,062
▪ Basel II project	40,974	40,974
▪ Repair of fixed assets at branches	40,409	59,300
▪ Office building in Tan Phu District, Ho Chi Minh City	37,609	37,609
▪ Sacombank Pay e-wallet project	21,573	7,348
▪ Branches construction in progress	8,316	7,070
▪ Upgrade IBM servers and Redhat software	-	60,934
▪ Treasury project – Front to back	-	24,213
▪ Others	294,481	401,972
	<u>757,866</u>	<u>951,509</u>
Internal receivables		
▪ Advances for operations	486,231	1,693,592
▪ Others	1,325	9,568
	<u>487,556</u>	<u>1,703,160</u>
External receivables		
▪ Receivables relating to intermediary and electronic support payment services	787	32,149,701
▪ Foreclosed assets waiting for transferring (ii)	1,624,712	2,136,575
▪ Receivables from card organisations	115,144	236,350
▪ Receivables from reversed repurchase agreements of securities (iii)	950,647	967,758
▪ Receivables from reversed repurchase	95,841	1,726,557
▪ Receivables from Southern Jewelry Trading Joint Stock Company (iv)	503,639	503,639
▪ Receivable from office rental deposits	253,534	234,095
▪ Receivables related to foreign remittance payment activities	95,103	88,399
▪ Margin for commodity futures trading	560,856	270,251
▪ Receivable from sale of FICO building (v)	158,204	158,204
▪ Receivables from the State Budget relating to interest subsidy program	27,867	28,920
▪ Tax advances	2,552	1,908
▪ Others (vi)	1,093,649	870,286
	<u>5,482,535</u>	<u>39,372,643</u>
	<u>6,727,957</u>	<u>42,027,312</u>

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(i) Movements of construction in progress during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	951,509	654,772
Additions during the year	862,001	1,148,678
Transfer to tangible fixed assets (Note 12)	(672,485)	(516,719)
Transfer to intangible fixed assets (Note 13)	(245,835)	(236,862)
Transfer to prepaid expenses and operating expenses	(137,324)	(98,294)
Other decreases	-	(66)
Closing balance	<u>757,866</u>	<u>951,509</u>

External receivables in scope of the Post-merger Restructuring Plan

Included in the receivable balances are doubtful debt, foreclosed assets being resolved and collected following the Post-merger Restructuring Plan (Note 3(a)).

(ii) These foreclosed assets are in the process of completing the transfer of ownership to the Bank or are being resolved for collection, in which VND1,473,810 million as at 31 December 2024 (31 December 2023: VND1,473,810 million) of foreclosed assets from the merger with Southern Commercial Joint Stock Bank. At 31 December 2024 and 31 December 2023, the Bank recognised the deposits from third parties for the transfer of foreclosed assets in scope of Post-merger Restructuring Plan amounting to VND289,217 million (Note 20(b)(iv)). The Bank made full allowance for outstanding balance of foreclosed assets at 31 December 2024 (31/12/2023: VND632,722 million) after deducting corresponding deposits.

(iii) These receivables relating to the reverse repurchase agreements of securities of Southern Commercial Joint Stock Bank upon merger, are secured by Bank's shares, owned by an individual, proposed by the Bank to sell to VAMC in accordance with the Post-merger Restructuring Plan and the Bank's proposal mentioned in the Post-merger Restructuring Plan approved by the SBV. As at 31 December 2024 and 31 December 2023, the procedures for selling these receivables to VAMC have not been completed and the Bank has made full allowance for these receivables prior 1 January 2023.

(iv) These receivables relating to the gold trading activities between Southern Jewelry Joint Stock Company and Southern Commercial Joint Stock Bank before the merger and are secured by the Bank's shares owned by an individual. These receivables are proposed by the Bank to sell to VAMC in accordance with the Post-merger Restructuring Plan and the Bank's proposal in the Post-merger Restructuring Plan approved by the SBV. As at 31 December 2024 and 31 December 2023, the procedures for selling these receivables to VAMC have not been completed and the Bank has made full allowance for these receivables before 1 January 2023.

Other external receivables

(v) This receivable is related to the sale of a part of FICO building located at 927 Tran Hung Dao, District 5, Ho Chi Minh City by Southern Commercial Joint Stock Bank to a counterparty to use as their head office. At the date of this report, the Bank is in process of completing legal procedures to transfer the ownership to the buyer in accordance with the prevailing regulations.

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- (vi) Included in other external receivables were VND505,292 million of receivable relating to the case that the enforcement authority is in the process of handling foreclosed assets with carrying amount as at 31 December 2024 and 31 December 2023 to reimburse the Bank in accordance with the judgment of the court. At the date of this report, the Bank is in coordination with the enforcement authority to collect the receivable and the Bank has made full allowance for the receivable in 2023 with amount of VND505,292 million.

(b) Interest and fees receivables

	31/12/2024 VND million	31/12/2023 VND million
Interest receivables from loans and advances to customers	3,390,704	3,775,025
Interest receivables from investments	1,779,085	1,690,831
Interest receivables from derivative currency contracts	20,274	189,209
Interest receivables from deposits with and loans to other credit institutions	35,544	17,482
Interest receivables from financial leasing	13,956	14,446
	<u>5,239,563</u>	<u>5,686,993</u>

(c) Other assets

	31/12/2024 VND million	31/12/2023 VND million
Foreclosed assets (i)	41,034	41,034
<i>In which:</i>		
- Shares	41,034	41,034
Prepaid expenses (ii)	1,281,619	1,085,239
Receivables from entrusted investment activities (iii)	51,500	51,500
Investments in finance leasing equipment	36,037	29,718
Other assets	78,302	93,409
	<u>1,488,492</u>	<u>1,300,900</u>

- (i) This balance represents collaterals of customers which were foreclosed by the Group to net-off with bad debts including loans principal and other receivables. The Bank has completed procedures to transfer the ownership of these assets to the Bank and is in process of resolving these foreclosed assets in accordance with the SBV's prevailing regulations.

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- (ii) Prepaid expenses comprise of rental expenses, maintenance and repairing expenses, and prepaid interest expenses which are amortised for a period ranging from 1 year to 37 years.
- (iii) This balance represents an entrusted investment in a company of Southern Commercial Joint Stock Bank before the merger. The Bank proposed to sell this receivable to VAMC according to the Post-merger Restructuring Plan and the Bank's proposals mentioned in the Post-merger Restructuring Plan approved by the SBV. At the date of this report, the Bank has not yet sold this receivable to VAMC and the Group has made full allowance for this receivable before 1 January 2023.

(d) Allowance for losses on other assets

Allowance for other assets include:

	31/12/2024		31/12/2023	
	Asset balance VND million	Allowance VND million	Asset balance VND million	Allowance VND million
Foreclosed assets	1,600,340	1,302,843	1,050,802	660,737
Receivables from reversed repurchase agreements of securities	950,647	950,647	967,758	967,758
Receivables from Southern Jewelry Trading Joint Stock Company	503,639	503,639	503,639	503,639
Other assets	733,861	728,793	727,152	723,056
External receivables	51,500	51,500	51,500	51,500
	<u>3,839,987</u>	<u>3,537,422</u>	<u>3,300,851</u>	<u>2,906,690</u>
In which: Assets are resolved according to the Post-merger Restructuring Plan (*)	3,065,092	2,779,260	2,532,665	2,155,619
▪ Receivables from reversed repurchase agreements of securities	950,647	950,647	967,758	967,758
▪ <i>Foreclosed assets (**)</i>	1,559,306	1,273,474	1,009,768	632,722
▪ <i>Receivables from Southern Jewelry Trading Joint Stock Company</i>	503,639	503,639	503,639	503,639
▪ <i>Other assets (Note 14(c)(iii))</i>	51,500	51,500	51,500	51,500

- (*) These are assets that are being resolved by the Bank in accordance with the Post-Merger Restructuring Plan (Note 3(a)).

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(**) On 18 December 2020, SBV issued Official letter No. 1010/NHNN-TTGSNH providing guidance on the Bank's additional proposal as specified in the progress report of implementing results of the Post-merger Restructuring Plan. While waiting for guidance from SBV, at 31 December 2024, the Group has made allowance for these foreclosed assets amounting to VND1,273,474 million (31/12/2023: VND632,722 million).

Movements of allowance for other assets during the year are as follows:

	2024 VND million	2023 VND million
Opening balance	2,906,690	2,434,061
Allowance made for other assets during the year (Note 30)	648,473	472,523
Reversal of provision for receivables from securities purchase and resale agreements (Note 31)	(17,111)	-
Utilization of provision	(775)	-
Other adjustments	145	106
Closing balance	3,537,422	2,906,690

15. BORROWINGS FROM THE STATE BANK

	31/12/2024 VND million	31/12/2023 VND million
Borrowings by credit documents	54,237	19,273
Others	18	55
	54,255	19,328

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16. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

	31/12/2024 VND million	31/12/2023 VND million
Deposits from other credit institutions		
Demand deposits		
▪ In VND	9,615,605	8,656,905
▪ In foreign currencies	5,699	8,833
Term deposits		
▪ In VND	47,186,000	21,100,000
▪ In foreign currencies	4,516,006	4,620,290
	61,323,310	34,386,028
Borrowings from other credit institutions		
Borrowings from other domestic and foreign credit institutions		
▪ In VND	9,176,625	2,381,276
▪ In foreign currencies (i)	155,357	1,182,807
	9,331,982	3,564,083
	70,655,292	37,950,111

(i) Details of outstanding loans from domestic and foreign credit institutions in foreign currency at the end of the period are as follows:

	31/12/2024 VND million	31/12/2023 VND million
Malayan Banking Berhad – Singapore Branch (*)	-	403,005
Other	155,357	779,802
	155,357	1,182,807

(*) This is the borrowings from Malayan Banking Berhad – Singapore Branch with principal amount of USD50 million, term of 36 months, and floating interest rate. As 31 December 2023, the outstanding balance was USD16,660,000 equivalent to VND403,005 million.

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17. DEPOSITS FROM CUSTOMERS

	31/12/2024 VND million	31/12/2023 VND million
Demand deposits		
▪ In VND	96,125,904	88,008,588
▪ In foreign currencies	5,580,436	5,244,365
Term deposits		
▪ In VND	93,267,377	81,684,412
▪ In foreign currencies	6,056,545	5,338,557
Saving demand deposits		
▪ In VND	29,638	38,840
▪ In foreign currencies	212,118	233,453
Saving term deposits		
▪ In VND	360,899,109	325,763,004
▪ In foreign currencies	2,856,827	2,946,207
Special-purpose capital deposits		
▪ In VND	166,702	99,351
▪ In foreign currencies	288,452	382,923
Margin deposits		
▪ In VND	569,041	515,855
▪ In foreign currencies	39,579	20,881
Margin deposits for other settlement services		
▪ In VND	789,167	458,196
▪ In foreign currencies	919	9,762
	<u>566,881,814</u>	<u>510,744,394</u>

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Deposits from customers by type of customer and ownership are as follows:

	31/12/2024 VND million	31/12/2023 VND million
Deposits from economic entities		
▪ Other joint stock companies	38,389,737	30,188,188
▪ Other limited liability companies	24,243,605	26,422,617
▪ Foreign owned companies	22,521,639	18,714,710
▪ Joint stock companies which the State owned more than 50% of charter capital or share capital with voting rights or over which the State has control in accordance with the companies' charter	7,402,246	4,137,942
▪ State-owned companies	3,983,128	4,940,192
▪ One member limited liability companies of which 100% charter capital owned by the State	2,563,009	2,726,010
▪ Private companies	902,573	389,795
▪ Cooperatives and inter-cooperatives	621,821	438,852
▪ Business households, individuals	185,724	138,970
▪ Limited liability companies with two or more members of which more than 50% charter capital owned by the State or controlled by the State	56,562	46,719
▪ Partnerships	44,092	87,900
▪ Public administrative units, agencies of the Communist Party, unions and associations	18,718	21,397
▪ Others	5,894,341	5,203,044
Deposits from individuals	<u>460,054,619</u>	<u>417,288,058</u>
	<u>566,881,814</u>	<u>510,744,394</u>

18. GRANTS AND ENTRUSTED FUNDS AND LOANS EXPOSED TO RISKS

	31/12/2024 VND million	31/12/2023 VND million
Grants and entrusted funds and loans exposed to risks in foreign currencies	<u>449,009</u>	<u>323,147</u>

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19. VALUABLE PAPERS ISSUED

	31/12/2024 VND million	31/12/2023 VND million
Certificates of deposit		
▪ Under 12 months	441,069	492,958
▪ From 12 months to under 5 years	21,238,441	13,170,528
▪ From 5 years and above	10,074,013	13,329,005
Registered bonds issued by financial institutions		
▪ From 12 months to 5 years	5,000,000	2,000,000
	<u>36,753,523</u>	<u>28,992,491</u>

20. OTHER LIABILITIES

(a) Interest and fees payables

	31/12/2024 VND million	31/12/2023 VND million
Interest payables on saving deposits in VND	5,724,821	8,202,683
Interest payables on deposits from customers and credit institutions in VND	1,554,869	2,137,876
Interest payables on valuable papers in VND	1,030,687	1,112,272
Interest payables on saving deposits in foreign currency	155,252	116,388
Interest payables from currency derivatives	32,496	52,905
Interest payables on deposits from customers and credit institutions in foreign currencies	5,032	2,046
Interest payables on loans from other credit institutions in foreign currencies	4,213	11,756
Interest payables on loans from the State Bank and other credit institutions in VND	3,072	5,980
Interest payables on grants and entrusted funds received in foreign currencies	-	2,068
	<u>8,510,442</u>	<u>11,643,974</u>

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(b) Other liabilities

	31/12/2024 VND million	31/12/2023 VND million
Internal payables		
▪ Bonus and welfare fund (i)	2,123,386	2,097,411
▪ Payables to employees	1,823,100	1,503,315
▪ Other internal payables	20,751	66,762
External payables		
▪ Collection and payment on behalf of credit institutions	473,383	6,468,028
▪ Payables for card settlement services	808,656	1,326,147
▪ Payables to customers	130,343	262,831
▪ Tax and other payables to the State Budget	1,303,618	1,061,338
▪ Interest payable on deposits due to payment	318,911	425,933
▪ Deposits for purchase of foreclosed assets (ii)	306,713	331,713
▪ Unearned income	136,384	135,312
▪ Payables to foreign remittance companies	948,302	663,319
▪ Payables to intermediary and electronic support payment services	-	23,992,081
▪ Others	1,316,707	502,536
	<u>9,710,254</u>	<u>38,836,726</u>

(i) Movements of bonus and welfare fund during the year are as follows:

	2024 VND million	2023 VND million
Opening balance	2,097,411	1,553,182
Appropriation during the year (Note 22(a))	890,046	554,288
Utilisation during the year	(864,071)	(10,068)
Other increase	-	9
Closing balance	<u>2,123,386</u>	<u>2,097,411</u>

(ii) Included in deposit received for the transfer of foreclosed assets was VND289,217 million relating to the transfer of foreclosed assets in scope of Post-merger Restructuring Plan (Note 14(a)(ii)).

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21. OBLIGATIONS TO THE STATE TREASURY

Year ended 31 December 2024	Movements during the year				
	Opening balance VND million	Incurred VND million	Paid/ net-off VND million	Other adjustments VND million	Closing balance VND million
Corporate income tax	936,513	2,787,723	(2,541,467)	-	1,182,769
Value added tax	61,408	660,572	(667,524)	(250)	54,206
Other taxes	61,509	709,376	(706,797)	-	64,088
	1,059,430	4,157,671	(3,915,788)	(250)	1,301,063

Year ended 31 December 2023	Movements during the year				
	Opening balance VND million	Incurred VND million	Paid/ net-off VND million	Other adjustments VND million	Closing balance VND million
Corporate income tax	(242,597)	2,016,154	(840,774)	3,730	936,513
Value added tax	132,604	525,407	(596,689)	86	61,408
Other taxes	71,470	728,344	(738,492)	187	61,509
	(38,523)	3,269,905	(2,175,955)	4,003	1,059,430

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22. EQUITY

(a) Statement of changes in equity

	Charter capital	Capital for construction, purchases of fixed assets	Share premium	Other capital	Financial reserve	Reserve to supplement charter capital	Investment and development fund	Foreign currency translation reserve	Retained profits	Total
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Balance at 1 January 2024	18,852,157	1,121	1,747,651	653	3,111,410	1,741,208	118,539	(225,489)	20,386,614	45,733,864
Net profit for the year	-	-	-	-	-	-	-	-	10,087,495	10,087,495
Appropriation to statutory reserves of prior year	-	-	-	-	728,916	382,525	-	-	(1,111,441)	-
Appropriation to bonus and welfare fund (Note 20(b)(i))	-	-	-	-	-	-	-	-	(890,046)	(890,046)
Foreign exchange differences	-	-	-	-	-	-	-	87,264	-	87,264
Others	-	-	-	-	-	-	-	-	(46,507)	(46,507)
Balance at 31 December 2024	18,852,157	1,121	1,747,651	653	3,840,326	2,123,733	118,539	(138,225)	28,426,115	54,972,070
Balance at 1 January 2023	18,852,157	1,121	1,747,651	653	2,620,504	1,484,181	118,539	(169,492)	13,971,682	38,626,996
Net profit for the year	-	-	-	-	-	-	-	-	7,718,616	7,718,616
Appropriation to statutory reserves of prior year	-	-	-	-	490,906	257,027	-	-	(747,933)	-
Appropriation to bonus and welfare fund (Note 20(b)(i))	-	-	-	-	-	-	-	-	(554,288)	(554,288)
Foreign exchange differences	-	-	-	-	-	-	-	(55,997)	-	(55,997)
Others	-	-	-	-	-	-	-	-	(1,463)	(1,463)
Balance at 31 December 2023	18,852,157	1,121	1,747,651	653	3,111,410	1,741,208	118,539	(225,489)	20,386,614	45,733,864

During the year ended 31 December 2024, the Group has appropriated Financial Reserve, Reserve to supplement charter capital and Bonus and Welfare Funds as approved by Resolution No. 01/2024/NC-DHDCD dated 26 April 2024.

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22. EQUITY (CONTINUED)

(b) Charter capital

	As at 31/12/2024 and 31/12/2023	
	Number of shares	Carrying value VND million
Authorised share capital	1,885,215,716	18,852,157
Ordinary shares in circulation	1,885,215,716	18,852,157

All ordinary shares have a par value of VND10,000. Each share is entitled to one vote at meetings of shareholders of the Bank. Shareholders are entitled to receive dividends as declared from time to time. All ordinary shares are ranked equally with regard to the Bank's residual assets.

(c) Dividends

	2024 VND million	2023 VND million
Dividends payable at the beginning of the year	8,553	8,578
Dividends paid during the year	(2)	(25)
Dividends payable at the end of the year	8,551	8,553

23. NET INTEREST AND SIMILAR INCOME

	2024 VND million	2023 VND million
Loans to customers and other credit institutions	45,033,726	52,018,902
Investment securities	2,174,192	1,800,011
Deposits with other credit institutions	1,620,765	821,192
Finance leases	498,431	485,199
Guarantee services	245,336	257,134
Purchased debts	-	2,600
Other credit activities	416,271	542,291
	49,988,721	55,927,329

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24. NET INTEREST AND SIMILAR EXPENSES

	2024 VND million	2023 VND million
Deposits from customers and other credit institutions	22,928,803	31,474,025
Valuable papers issued	2,013,349	1,892,513
Borrowings from the SBV and other credit institutions	186,793	378,523
Other credit activities	328,078	109,935
	25,457,023	33,854,996

25. NET FEES AND COMMISSION INCOME

	2024 VND million	2023 VND million
Fees and commission income from		
▪ Entrustment and agency services	1,406,123	1,826,531
▪ Settlement services	1,252,064	1,046,009
▪ Insurance agency services	707,534	796,010
▪ Treasury services	178,477	195,715
▪ Remittance services	63,076	58,019
▪ Other services	2,513,963	2,214,426
	6,121,237	6,136,710
Fees and commission expenses on		
▪ Settlement services	(2,044,325)	(2,381,265)
▪ Postage and telecommunications services	(517,343)	(495,461)
▪ Consulting services	(115,067)	(42,497)
▪ Agency commission	(99,336)	(148,764)
▪ Treasury services	(25,052)	(32,836)
▪ Other services		
	(3,142,812)	(3,518,807)
Net fees and commission income	2,978,425	2,617,903

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26. NET GAIN FROM TRADING OF FOREIGN CURRENCIES

	2024 VND million	2023 VND million
Gain from trading of foreign currencies		
▪ Gain from spot foreign exchange contracts	1,149,014	1,029,302
▪ Gain from currency derivatives	652,601	691,451
▪ Gain from gold trading	51,866	35,140
▪ Gains from revaluation of foreign currencies, gold, and financial instruments	-	34,314
	<u>1,853,481</u>	<u>1,790,207</u>
Loss from trading of foreign currencies		
▪ Loss from spot foreign exchange contracts	(58,273)	(42,451)
▪ Loss from currency derivatives	(654,912)	(648,191)
▪ Loss from gold trading	(4,229)	(17)
▪ Loss from revaluation of foreign currencies, gold, and financial instruments	(30,339)	-
	<u>(747,753)</u>	<u>(690,659)</u>
Net gain from trading of foreign currencies	<u>1,105,728</u>	<u>1,099,548</u>

27. NET GAIN FROM SALES OF INVESTMENT SECURITIES

	2024 VND million	2023 VND million
Gain from sales of investment securities	57,923	46,700
Loss from sales of investment securities	(3,033)	(8,343)
Allowance reversed/(made) for diminution in value of investment securities	657	(4,540)
Net gain from sales of investment securities	<u>55,547</u>	<u>33,817</u>

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28. NET OTHER INCOME

	2024 VND million	2023 VND million
Other income		
▪ Collections from bad debts previously written-off	111,598	79,680
▪ Collection from futures contract fees	104,946	110,630
▪ Collections from card activities	56,983	184,078
▪ Collections from doubtful receivables previously written-off	-	16,791
▪ Proceeds from disposals of fixed assets	-	2,966
▪ Collection from entrusted warehouse management fees	2,316	2,316
▪ Other income	93,173	48,986
	<u>369,016</u>	<u>445,447</u>
Other expenses		
▪ Expenditure on other derivative financial instruments	(65,616)	(35,966)
▪ Community expense	(107,933)	(23,489)
▪ Other expenses	(194,388)	(59,419)
	<u>(367,937)</u>	<u>(118,874)</u>
Net other income	<u>1,079</u>	<u>326,573</u>

29. GAIN FROM CAPITAL CONTRIBUTION, SHARE PURCHASE

	2024 VND million	2023 VND million
Dividends received/profit distributions from:		
▪ Available-for-sale equity securities	1,206	1,619
▪ Other long-term investments	3,435	21,218
	<u>4,641</u>	<u>22,837</u>

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30. OPERATING EXPENSES

	2024 VND million	2023 VND million
Other taxes and fees	431,065	283,395
Personnel expenses:	7,419,160	6,869,829
In which:		
▪ Salary and allowances	6,695,462	6,226,526
▪ Salary related contribution	405,051	397,101
▪ Other allowances	225,917	156,942
▪ Uniform and labour protection equipment	92,730	89,260
Asset expenditure	2,728,479	2,725,472
In which:		
▪ Depreciation of fixed assets	980,725	1,148,589
▪ Rental	909,671	804,449
▪ Repair and maintenance	719,266	633,170
▪ Tools and supplies	107,366	127,300
▪ Insurance fee	11,451	11,964
Other operating expenses	2,094,105	1,927,463
In which:		
▪ Document and advertisement expenses	875,014	813,544
▪ Materials and printing expenses	227,332	229,019
▪ Utilities expenses	219,674	198,276
▪ Meeting and conference expenses	176,789	154,989
▪ Travelling expenses	153,911	128,575
▪ Postage and telecommunication expenses	31,374	43,525
▪ Training expenses	24,731	8,487
▪ Others	385,280	351,048
Insurance expense for customers' deposits	661,041	605,054
Other allowances	648,539	478,693
In which:		
▪ Allowance for long-term investments (Note 11)	66	6,170
▪ Allowance for other assets (Note 14)	648,473	472,523
	<u>13,982,389</u>	<u>12,889,906</u>

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31. ALLOWANCE EXPENSES FOR CREDIT LOSSES

	2024 VND million	2023 VND million
Allowance reversed for receivables from securities purchase and resale agreements (Note 14(d))	(17,111)	-
General allowance reversed for purchased debts	-	(22,068)
General allowance made for loans to customers (Note 9)	389,682	317,419
Specific allowance made for specific loans to customers (Note 9)	1,642,000	1,965,445
Allowance (reversed)/made for special bonds issued by VAMC (Note 10(b))	(40,207)	1,427,309
	<u>1,974,364</u>	<u>3,688,105</u>

32. CASH AND CASH EQUIVALENTS

	2024 VND million	2023 VND million
Cash on hand, gold and gemstone	8,214,653	7,545,270
Balances with the State Banks of Vietnam	17,644,155	12,848,045
Deposits with other credit institutions	19,845,465	20,841,806
Deposits with other credit institutions with terms of less than 3 months	60,788,782	29,272,595
	<u>106,493,055</u>	<u>70,507,716</u>

33. TYPES AND BOOK VALUE OF COLLATERALS

(a) Assets and valuable papers received from mortgages, pledges, discounts and rediscounts

	31/12/2024 VND million	31/12/2023 VND million
Real estate	835,229,838	774,017,172
Share and valuable papers	27,466,364	5,063,310
Transportation	24,544,559	23,136,188
Inventories	4,959,010	26,807,263
Machinery and equipment	7,769,056	2,784,920
Other assets	62,118,827	57,270,386
	<u>962,087,654</u>	<u>889,079,239</u>

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(b) Assets and valuable papers given for mortgages, pledges, discounts and rediscounts

	31/12/2024 VND million	31/12/2023 VND million
Government bonds	6,824,712	5,021,623

At 31 December 2024 and 31 December 2023, the Group had no outstanding secured borrowings from SBV.

34. CONTINGENT LIABILITIES AND COMMITMENTS

The Group often requires customers to deposit collateral to secure credit-related financial instruments when necessary. The amount of the collateral ranges from 0% to 100% of the commitment value, depending on the creditworthiness of the customer as assessed by the Group.

Foreign exchange transaction commitments include spot foreign currency purchase and sale commitments and swap transaction commitments. Spot foreign currency purchase and sale commitments are commitments in which the Group will buy and sell foreign currency at the agreed exchange rate in the contract and make payment within two (2) days from the transaction date. Swap transaction commitments are commitments to buy and sell the same amount of foreign currency (only two currencies are used in the transaction) with the same counterparty, in which one transaction has a spot payment term and the other transaction has a specified payment term in the future with the exchange rates of the two transactions determined simultaneously at the time of confirming the spot transaction.

	31/12/2024 million VND		31/12/2023 million VND		Contractual amount - net	
	Contractual amount - gross	Margin deposits	Contractual amount - gross	Margin deposits		
Loan guarantees	145,864	303	145,561	33,598	-	33,598
Foreign exchange commitments	96,982,516	-	96,982,516	122,663,800	-	122,663,800
<i>In which:</i>						
▪ Commitments on purchase of foreign currencies	2,872,223	-	2,872,223	449,709	-	449,709
▪ Commitments on sales of foreign currencies	1,060,117	-	1,060,117	1,103,464	-	1,103,464
▪ Commitments on currency swap transactions	93,050,176	-	93,050,176	121,110,627	-	121,110,627
Letter of credit	7,932,816	150,625	7,782,191	7,240,658	165,225	7,075,433
Other guarantees	12,095,270	90,656	12,004,614	11,350,784	78,449	11,272,335

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The classification on contingent liabilities and commitments as required by Circular 31 and the Group's policy are as follows:

	31/12/2024 VND million	31/12/2023 VND million
Standard debts	20,104,180	18,567,105
Special mentioned debts	12,614	10,792
Sub-standard debts	30,336	25,474
Doubtful debts	2,000	752
Loss debts	24,820	20,415
	20,173,950	18,624,538

35. UNCOLLECTED LOAN INTEREST AND RECEIVABLE FEES

	31/12/2024 VND million	31/12/2023 VND million
Uncollected loan interest	31,722,459	30,456,874
Uncollected fee receivables	13,060	12,983
	31,735,519	30,469,857

36. WRITTEN-OFF BAD DEBTS

	31/12/2024 VND million	31/12/2023 VND million
Debts that have been written-off and under monitor		
▪ Principal	7,518,289	5,606,667
▪ Interest	1,516,032	1,069,708
	9,034,321	6,676,375

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37. OTHER ASSETS AND DOCUMENTS

	31/12/2024 VND million	31/12/2023 VND million
Precious metals and gemstones from custody services	99,293	118,183
Other valuable documents under custody services	37,730,116	40,171,573
Outsourced assets	27,976	27,986
Foreclosed assets waiting for settlement	486,457	487,071
Other valuable documents under safekeeping	40,126,736	43,202,576
	<u>78,470,578</u>	<u>84,007,389</u>

38. CORPORATE INCOME TAX**(a) Current corporate income tax**

	2024 VND million	2023 VND million
Current tax expense		
Current period	2,774,664	2,014,393
Under provision in prior years	13,059	1,761
	<u>2,787,723</u>	<u>2,016,154</u>
Deferred tax benefit	<u>(154,853)</u>	<u>(139,770)</u>
Income tax expense	<u>2,632,870</u>	<u>1,876,384</u>

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(b) Reconciliation of effective tax rate

	2024 VND million	2023 VND million
Profit before tax	12,720,365	9,595,000
<i>Adjustments for:</i>		
▪ Accounting profit due to consolidation of financial statements	162,766	44,669
Total accounting profit before tax before adjustment due to consolidation of financial statements	12,883,131	9,639,669
Corporate income tax expense during the year (tax rate of 20%)	2,576,626	1,927,934
Effect of different tax rates in subsidiaries	(554)	(11,409)
Non-deductible expenses	259,351	155,946
Tax losses utilised	(72)	-
Decrease in deferred tax assets	-	1,492
Tax exempt income	(60,687)	(59,570)
Under provision in previous years	13,059	1,761
Corporate income tax expense - current	<u>2,787,723</u>	<u>2,016,154</u>

(c) Movement of temporary differences during the year

	For the year ended 31 December 2024		Recognised in consolidated financial performance
	31/12/2023	31/12/2024	
	VND million	VND million	VND million
Allowance foreclosed assets waiting for transferring	126,544	128,151	254,695
Allowance temporary differences during the year	217,617	396	218,013
Allowance doubtful debts	-	47,973	47,973
Allowance for credit lossess	5,603	271	5,874
Allowance transferred foreclosed assets	4,183	-	4,183
Allowance for diminution of Government bonds	1,441	(131)	1,310
Allowance for diminution of other long-term investment	800	-	800
Allowance for diminution of investment securities	20,501	(20,501)	-
Others	21,135	(11,523)	9,612
	<u>397,824</u>	<u>144,636</u>	<u>542,460</u>

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For the year ended 31 December 2023	Recognised in consolidated financial performance		
	31/12/2023	31/12/2023	31/12/2024
	VND million	VND million	VND million
Allowance foreclosed assets waiting for transferring	126,544	-	126,544
Allowance temporary differences during the year	100,728	116,889	217,617
Allowance doubtful debts	-	20,501	20,501
Allowance for credit lossess	5,291	312	5,603
Allowance transferred foreclosed assets	1,336	2,847	4,183
Allowance for diminution of Government bonds	533	908	1,441
Allowance for diminution of other long-term investment	800	-	800
Allowance for diminution of investment securities	7,615	13,520	21,135
	242,847	154,977	397,824

(c) Applicable tax rates

The Bank and its subsidiaries in Vietnam have the obligation to pay corporate income tax at the rate of 20% of taxable profit for the current year. Sacombank (Cambodia) Plc. has the obligation to pay corporate income tax at the higher of 20% of taxable profit for the current year and 1% of taxable revenue in Cambodia. Saigon Thuong Tin Bank Lao Co., Ltd. which has an obligation to pay corporate income tax at rate of 24% on total taxable profits in Lao.

The corporate income tax computation is subject to review and approval of tax authorities.

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39. EARNINGS PER SHARE**(a) Basic earnings per share**

The calculation of basic earnings per share for the year ended 31 December 2024 was based on profit attributable to ordinary shareholders of the Bank (after appropriation to bonus and welfare fund) amounting to VND10,087,495 million (for the year ended 31 December 2023: VND6,828,570 million) and a weighted average number of ordinary shares outstanding of 1,803,653,429 (for the year ended 31 December 2023: 1,803,653,429), calculated as follows:

(b) Net profit attributable to ordinary shareholders

	2024 VND million	2023 VND million (reported)	2023 VND million (restated)
Net profit for the period	10,087,495	7,718,616	7,718,616
Appropriation to Bonus and welfare funds (*)	-	-	(890,046)
	10,087,495	7,718,616	6,828,570

(*) At the date of this report, the Group has not reliably estimated the appropriation of profit after tax to bonus and welfare fund for the year ended 31 December 2024. If the Group allocates to the bonus and welfare fund, the profit attributable to ordinary shareholders will decrease.

(c) Weighted average number of ordinary shares

	Year ended	
	31/12/2024 Shares	31/12/2023 Shares
Weighted average number of ordinary shares	1,885,215,716	1,885,215,716

(d) Basic earnings per share

	2024 VND	2024 VND (reported)	2023 VND (restated)
Basic earnings per share (VND/share)	5,351	4,094	3,622

(e) Diluted earnings per share

As at 31 December 2024 and 31 December 2024, the Bank did not have any potentially dilutive ordinary shares. Accordingly, the requirement for presentation of diluted earnings per share is not applicable.

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40. EMPLOYEES' INCOME

	2024 VND million	2023 VND million
Total average number of employees during the year	18,267	18,463
Employees' income		
1. Total salary and advances	4,881,524	4,796,023
2. Bonus	2,341,243	1,823,792
3. Other incomes	35	1,126
4. Total income (4 = 1 + 2 + 3)	7,222,802	6,620,941
Average monthly salary/employee	22,27	21,65
Average monthly income/employee	32,95	29,88

41. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Significant balances and transactions with related parties at the end of the year and during the year are as follows:

Balances at the end of the year	31/12/2024 VND million	31/12/2023 VND million
Receivables/(payables)		
Members of the Group's Board of Directors, Board of Supervisors and Board of Management		
Loans	87,449	164,431
Deposits	(277,317)	(241,365)
Certificates of deposit	(1,310)	(1,960)
Other receivables	311	1,273
Other payables	(2,393)	(7,544)
Related parties of members of the Group's Board of Directors, Board of Supervisors and Board of Management		
Loans	4,031,507	4,020,196
Deposits	(262,764)	(271,632)
Certificates of deposit	(21,882)	(20,170)
Other receivables	24,720	25,025
Other payables	(5,377)	(8,562)

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Transactions during the year

	2024 VND million	2023 VND million
Income/(expense)		
Members of the Group's Board of Directors, Board of Supervisors and Board of Management		
Interest income from loans/deposits	2,654	6,800
Interest expense on borrowings/deposits	(12,087)	(21,964)
Fee and commission income	62	151
Post-tax income of members of the Board of Directors	(53,129)	(44,182)
Post-tax remuneration of members of the Board of Supervisors	(17,340)	(16,994)
Post-tax remuneration of members of the Board of Management	(88,746)	(101,507)
Related parties of members of the Group's Board of Directors, Board of Supervisors and Board of Management		
Loans disbursed	3,848,495	231,758
Interest income from loans	311,870	327,765
Interest expense on deposits	(12,809)	(17,494)
Fee and commission income	7,007	15,777
Other operating expenses	(3,165)	(2,485)

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Remuneration of member of Board of Directors of the Bank during the year are as follow:

Full name	Posistion	VND million	Appointment information
Mr. Duong Cong Minh	Chairman	8,750	Reappointed from 22 April 2024
Ms. Nguyen Duc Thach Diem	Standing Vice Chairman	1,838	Appointed from 22 April 2024
Mr. Nguyen Van Phong	Vice Chairman	5,775	Appointed from 22 April 2024
Mr. Nguyen Xuan Vu	Member	4,375	Appointed from 22 April 2024
Mr. Phan Dinh Tue	Member	4,812	Appointed from 22 April 2024
Mr. Vuong Cong Duc	Independent member	3,500	Appointed from 22 April 2024
Ms. Pham Thi Thu Hang	Independent member	3,500	Appointed from 22 April 2024

Remuneration of member of Board of Supervisors of the Bank during the year are as follow:

Full name	Posistion	VND million	Appointment information
Mr. Tran Minh Triet	Chief Supervisor	4,375	Reappointed from 22 April 2024
Mr. Nguyen Van Thanh	Member	3,500	Appointed from 22 April 2024
Mr. Lam Van Kiet	Member	3,500	Appointed from 22 April 2024
Ms. Ha Quynh Anh	Member	3,500	Appointed from 22 April 2024

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Remuneration of member of Board of Directors of the subsidiaries during the year are as follow:

Full name	Posistion	VND million	Appointment information
Mr. Trinh Van Ty	Chairman of the Board of Directors of Sacombank Cambodia	1,327	Resigned from 01 April 2024
	Independent member of Sacombank Laos		Resigned from 12 April 2024
Mr. Tran Ngoc Cuong	Chairman of the Board of Directors of Sacombank Cambodia	1,796	Appointed from 01 April 2024
Mr. Loi Quoc Khan	Member of Sacombank Cambodia	1,571	Appointed from 01 April 2024
Mr. Bounyou Sisane	Member of Sacombank Laos	181	Appointed from 29 November 2024
Mr. Ly Rotha	Independend member of Sacombank Cambodia	601	Appointed from 01 April 2024
Mr. Phung Nguyen Au De	Independend member of Sacombank Cambodia	451	Appointed from 01 April 2024
Mr. Nguyen Nhi Thanh	Chairman of the Board of Directors of Sacombank Laos	4,638	Appointed from 29 November 2024
	Vice Chairman of the Board of Directors of Sacombank Cambodia		Appointed from 01 April 2024
Mr. Pham Quang Phu	Vice Chairman of the Board of Directors of Sacombank Laos	3,867	Appointed from 29 November 2024
Mr. Phan Tan Dung	Chairman of the Board of Directors of Sacombank SBA	2,622	Appointed from 11 July 2023
Mr. Luu Huynh	Chairman of the Board of Directors of Sacombank SBL	3,527	Appointed from 22 April 2022
Mr. Le Van Ba	Chief Supervisor of Sacombank SBL	1,139	Reappointed from 21 January 2021
Mr. Doan Mau Lam	Member of the Supervisory Board of Sacombank SBL	662	Reappointed from 21 January 2021
Ms. Bui Thi Mai Thoa	Member of the Supervisory Board of Sacombank SBL	665	Reappointed from 21 January 2021

Average income/month of Board of Management of the Bank and its subsidiaries during the year was VND260 million/person.

Income of General Director during the year is VND 12,937 million.

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42. CONCENTRATION OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET COMMITMENTS BY GEOGRAPHICAL AREA

As at 31 December 2024

	Deposits with and loans to other credit institutions - gross	Trading and investment securities - gross	Derivatives (total contractual value)	Loans and advances to customers - gross	Capital contribution, long-term investments - gross	Deposit and borrowings from the SBV	Deposits and borrowings from other credit institutions	Deposits from customers	Grants, entrusted funds received	Valuable papers issued	Contingent liabilities and credit commitments - gross
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Domestic	81,666,693	98,908,216	49,354,238	532,338,068	96,642	54,255	70,406,670	558,070,813	-	36,753,523	115,518,732
Overseas	6,574,483	9,949	8,882	6,976,590	-	-	248,622	8,811,001	449,009	-	1,637,734
	88,241,176	98,918,165	49,363,120	539,314,658	96,642	54,255	70,655,292	566,881,814	449,009	36,753,523	117,156,466

As at 31 December 2023

	Deposits with and loans to other credit institutions - gross	Trading and investment securities - gross	Derivatives (total contractual value)	Loans and advances to customers - gross	Capital contribution, long-term investments - gross	Deposit and borrowings from the SBV	Deposits and borrowings from other credit institutions	Deposits from customers	Grants, entrusted funds received	Valuable papers issued	Contingent liabilities and credit commitments - gross
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Domestic	44,326,349	89,240,070	60,881,285	476,494,010	97,014	19,328	37,018,282	503,329,739	-	28,992,491	140,495,032
Overseas	6,006,622	11,443	-	6,237,112	-	-	931,829	7,414,655	323,147	-	793,808
	50,332,971	89,251,513	60,881,285	482,731,122	97,014	19,328	37,950,111	510,744,394	323,147	28,992,491	141,288,840

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43. FINANCIAL RISK MANAGEMENT

(a) Financial risk management

(i) Overview

Risks are inherent in the Group's activities and are managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's profitability and each individual within the Group is accountable for the risk prevention relating to their responsibilities. The Group is exposed to such types of risk as credit risk, liquidity risk and market risk (then being classified into business and non-business risks). The Group is also subject to various operational risks.

The independent risk control process does not include business risks such as changes in the environment, technology and industry. These business risks are monitored through the Group's strategic planning process.

(ii) Risk management framework

Risk management structure

The Board of Directors are responsible for overseeing the overall risk management process within the Bank.

Board of Directors

The Board of Directors approves risk management policy and monitors the implementation of risk prevention measures of the Group.

Risk Management Committee

Risk Management Committee consults the Board of Directors in the promulgation of procedures and policies under authority of the Board of Directors relating to risk management in the Group's activities.

Risk Management Committee analyses and provides warnings on the safety level of the Group against potential risks that may affect the Group's operations and preventive measures in the short-term as well as long-term.

Risk Management Committee reviews and evaluates the appropriateness and effectiveness of the risk management of procedures and policies of the Group to make recommendations to the Board of Directors on the improvement of procedures, policies and operations.

Board of Supervisors

The Board of Supervisors has the responsibility to monitor the overall risk management process within the Group.

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Internal Audit

According to the annual internal audit plan, business processes throughout the Group are audited by the internal audit function, which examines both the adequacy of the procedures and the Group's compliance with the procedures. Internal Audit discusses the results of all assessments with the Board of Management, and reports its findings and recommendations to the Board of Supervisors.

Risk measurement and reporting systems

The Group's risks are measured using a method which reflects both the expected loss likely to arise in normal circumstances and unexpected losses, which are an estimate of the ultimate actual loss based on statistical models.

Monitoring and controlling risks are primarily carried out based on limits established by the Group in compliance with the SBV's regulations on safety. These limits reflect the business strategy and market environment of the Group as well as the level of risk that the Group are willing to accept.

Information compiled from all business activities is examined and processed in order to analyse, control and early identify risks. This information is presented and explained to the Board of Directors, Board of Supervisors, Board of Management, and Departments' Heads. The report includes aggregate credit exposure, credit metric forecasts, limit exceptions, liquidity ratios and risk profile changes. The Group's Management assesses the appropriateness of the allowance for credit losses on a quarterly basis. The Group's Management receives a comprehensive risk report quarterly which is designed to provide all the necessary information to assess and conclude on the risks of the Group.

For all levels throughout the Group, specifically tailored risk reports are prepared and distributed in order to ensure that all business departments have access to extensive, necessary and up-to-date information.

Risk mitigation

The Group actively uses collaterals to reduce its exposure to credit risk.

Risk concentration

Risk concentrations arise when a number of customers of the Group are engaged in similar business activities, or activities in the same geographic area, or have similar economic features that would affect the Group of customers' payment obligations or payment receipt rights when due under changes in economic, political or other conditions.

These above concentrations indicate the level of sensitivity of the Group's performance to the developments of a particular industry or geographic area.

In order to mitigate concentration risk, the Group's policies and procedures include specific guidelines to focus on maintaining a diversified portfolio. Identified concentrations of credit risk are controlled and managed accordingly. Selective risk hedging methods are used within the Group in respect of the industries and other related factors.

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(b) Credit risk

Credit risk is the risk of financial loss to the Group if a customer fails to settle the principal and interest as committed or counterparty to a financial instrument fails to meet its contractual obligations.

The Group manage and controls credit risk by setting limits on the amount of risk it is willing to accept for individual counterparties and for geographical and industry concentrations, and by monitoring exposures in relation to such limits.

The Group has established a credit quality review process to provide early identification of possible changes in the financial position and creditworthiness of counterparties based on qualitative and quantitative indicators. Counterparty's limits are established by the usage of a credit rating system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision.

Maximum exposure to credit risk before collateral held or other credit enhancements

The maximum exposures to credit risk relating to each group of financial assets, which are equivalent to their book values on the consolidated statement of financial position, are listed below:

	31/12/2024 VND million	31/12/2023 VND million
Credit risk exposures of balance sheet items		
Balances with the State Banks	17,644,155	12,848,045
Deposits with and loans to other credit institutions – gross	88,241,176	50,332,971
Loans and advances to customers – gross	539,314,658	482,731,122
Investment securities – gross	98,911,950	89,245,328
Other assets – gross	9,151,733	42,979,539
	<u>753,263,672</u>	<u>678,137,005</u>
Credit risk exposures of off-balance-sheet items		
Financial guarantee contracts	12,241,134	11,384,382
Letters of credit	7,932,816	7,240,658
	<u>20,173,950</u>	<u>18,625,040</u>
	<u>773,437,622</u>	<u>696,762,045</u>

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Financial assets neither past due nor impaired

The Group' financial assets that are neither past due nor impaired include debts classified as Current, as prescribed in Circular 31 (including debts classified as Current that the Bank classifies by themselves (excluding Covid-19 restructured debts with additional provision according to Circular 01, Circular 03, Circular 14 and Covid restructured debts which are debts classified as Current after CIC), securities, receivables and other financial assets that are not past due and no provision is required according to Circular No. 48/2019/TT-BTC amended by Circular No. 24/2022/TT-BTC.

The Group determine that the Group has, absolutely, the capacity to fully and timely recover these financial assets in the future.

Financial assets past due but not impaired

The age of financial assets past due but not impaired as at 31 December 2024 is presented below:

As at 31 December 2024	Less than 90 days VND million	From 91 to 180 days VND million	Overdue		Total VND million
			From 181 to 360 days VND million	Over 360 days VND million	
Loans and receivables					
Loans and advances to customers – gross	434,186	170,667	300,415	608,399	1,513,667

Loans to customers past due but not impaired are loans which are overdue but no provision is required as these loans are secured adequately by collaterals under the form of deposits, real estate, movable asset, valuable papers and other assets.

Refer to Note 33(a) for types and values of collaterals received from customers. The Group has not determined fair values of the collaterals for overdue and impaired financial assets for disclosure in these consolidated financial statements because there is currently no guidance on determination of fair value by using valuation techniques under Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions stipulated by the SBV in case quoted price in the market is not available. The fair values of these collaterals may differ from their carrying amounts.

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(c) Market risks

(i) Interest rate risk

Interest rate risk is the risk that fair value or cash flows of financial instruments will fluctuate because of movements in the market interest rate. The Group will be exposed to the interest rate risk when there is a gap between maturity date or interest repricing date of assets, liabilities and off-balance sheet commitments in a specific period of time. The Group manages this risk by matching the dates of interest rate repricing of assets and liabilities.

Analysis of assets and liabilities based on actual interest rate repricing term

The actual interest rate repricing term is the remaining period from the date of this report to the next interest rate repricing date or the maturity date of assets and liabilities whichever is earlier.

The following assumptions and conditions have been adopted in the analysis of actual interest rate repricing terms of assets and liabilities of the Group:

- Cash, gold, gemstones; long-term investments and other assets (including fixed assets, derivatives and other assets) and other liabilities are classified as non-interest bearing items.
- Balances with the State Bank of Vietnam are considered as current, interest rate repricing term is therefore considered within 1 month.
- The actual interest rate repricing term of debt securities are determined based on the actual maturity term of each type of securities at the date of this report.
- The repricing term of deposits with and loans to other credit institutions; loans and advances to customers; deposits and borrowings from Government and other credit institutions ; deposits from customers; grants, entrusted funds, loans exposed to risks and other liabilities are determined as follows:
 - Items which bear fixed interest rate for the entire contractual term: the actual interest rate repricing term is determined based on the remaining contractual term calculated from the date of this report.
 - Items which bear floating interest rate: the actual interest rate repricing term is determined based on the next interest rate repricing date subsequent to the date of this report.
- The actual interest rate repricing term of valuable papers issued is determined based on the remaining maturity term of each valuable paper.

The following tables show the Group's assets and liabilities categorised by the earlier of interest rate repricing date and contractual maturity date at the date of this report:

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As at 31 December 2024	Overdue	Non-interest bearing	Less than 1 month	From 1 to 3 months	From over 3 to 6 months	From over 6 to 12 months	From over 1 to 5 years	Total
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Assets								
Cash on hand, gold and gemstones	-	8,214,653	-	-	-	-	-	8,214,653
Balances with the State Bank	-	1	17,644,154	-	-	-	-	17,644,155
Deposits with and loans to other credit institutions - gross	-	-	87,761,435	104,770	324,174	50,797	-	88,241,176
Loans and advances to customers - gross	17,090,480	-	179,651,052	331,335,201	942,432	1,479,572	3,993,799	4,822,122
Investment securities - gross	-	14,954,890	1,675,823	1,125,701	5,034,957	4,250,705	31,206,904	40,669,185
Long-term investments - gross	-	96,642	-	-	-	-	-	96,642
Fixed assets	-	7,355,128	-	-	-	-	-	7,355,128
Other assets - gross	2,240,835	11,721,601	-	-	20,645	-	15,391	13,998,472
Total assets (1)	19,331,315	42,342,915	286,732,464	332,565,672	6,322,208	5,781,074	35,216,094	45,491,307
Liabilities								
Due to the Government and the State Bank of Vietnam	-	-	1,684	2,249	3,474	6,947	39,901	54,255
Deposits and borrowings from other credit institutions	-	-	69,634,400	949,108	58,431	9,100	4,253	70,655,292
Deposits from customers	-	-	199,976,876	121,606,580	127,026,851	110,802,607	7,458,016	566,881,814
Derivatives and other financial liabilities	-	54,007	-	-	-	-	-	54,007
Grants and entrusted funds and loans exposed to risks	-	-	-	1,743	-	9,255	128,785	309,226
Valuable papers issued	-	-	5,651,842	1,170,918	17,033,831	7,878,985	5,017,947	36,753,523
Other liabilities	-	18,274,576	-	-	-	-	-	18,274,576
Total liabilities (2)	-	18,328,583	275,264,802	123,730,598	144,122,587	118,706,894	12,648,902	693,122,476
Interest sensitivity gap of balance sheet items [(3)=(1)-(2)]	19,331,315	24,014,332	11,467,662	208,835,074	(137,800,379)	(112,925,820)	22,567,192	45,171,197

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As at 31 December 2023	Overdue	Non-interest bearing	Less than 1 month	From 1 to 3 months	From over 3 to 6 months	From over 6 to 12 months	From over 1 to 5 years	Total
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Assets								
Cash on hand, gold and gemstones	-	7,545,270	-	-	-	-	-	7,545,270
Balances with the State Bank	-	-	12,848,045	-	-	-	-	12,848,045
Deposits with and loans to other credit institutions - gross	-	-	49,427,687	765,342	78,018	61,924	-	50,332,971
Loans and advances to customers - gross	14,489,538	-	162,894,366	294,256,410	845,722	1,007,814	3,331,775	5,905,497
Investment securities - gross	-	16,439,082	1,130,896	801,368	3,532,896	6,093,120	24,448,649	36,805,502
Long-term investments - gross	-	97,014	-	-	-	-	-	97,014
Fixed assets	-	7,269,440	-	-	-	-	-	7,269,440
Other assets - gross	2,300,755	47,082,555	-	19,617	10,102	-	-	49,413,029
Total assets (1)	16,790,293	78,433,361	236,300,994	295,842,737	4,466,738	7,162,858	27,780,424	699,488,404
Liabilities								
Due to the Government and the State Bank of Vietnam	-	-	429	18,899	-	-	-	19,328
Deposits and borrowings from other credit institutions	-	-	33,412,171	4,079,159	440,523	13,155	4,373	37,950,111
Deposits from customers	-	295,734	201,297,834	101,483,825	115,232,359	82,696,501	9,724,664	510,744,394
Derivatives and other financial liabilities	-	91,459	-	-	-	-	-	91,459
Grants and entrusted funds and loans exposed to risks	-	-	-	-	6,460	52,066	264,621	323,147
Valuable papers issued	-	-	715,664	3,408,410	9,889,905	13,796,994	1,181,518	28,992,491
Other liabilities	-	50,534,866	-	-	-	-	-	50,534,866
Total liabilities (2)	-	50,922,059	235,426,098	108,990,293	125,562,787	96,513,110	10,962,621	628,655,796
Interest sensitivity gap of balance sheet items [(3)=(1)-(2)]	16,790,293	27,511,302	(9,125,104)	186,852,444	(121,096,049)	(89,350,252)	16,817,803	70,832,608

No analysis on interest rate sensitivity was performed at 31 December 2024 and 31 December 2023 due to unavailability of data sufficiency and technology.

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(ii) Currency risk

Currency risk is the risk arising from changes in foreign exchange rates to VND, the Group's accounting currency, which may affect the value of the financial instruments or may cause volatility in the Group's earnings. The Group manages currency risk by setting limits on currency exposure position. These limits include open position limit, open position limit for each currency.

The main transactional currency of the Group is VND. Financial assets and financial liabilities of the Group are denominated mainly in VND, partially in USD, EUR and gold. The Group sets limits on position of each currency. The currency position is monitored daily to ensure that the currency position is within the set limit.

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Currency risk is the risk that the value of financial instruments will fluctuate due to changes in foreign exchange rates.

	EUR		USD		Gold		Other foreign currencies		Total	
	VND million	VND million	VND million	USD million	VND million	VND million	VND million	VND million	VND million	VND million
As at 31 December 2024										
Assets										
Cash on hand, gold and gemstones	225,695	2,467,493			89,835		396,415			3,179,438
Balances with the State Banks	797	2,258,258			-		317,477			2,576,532
Deposits with and loans to other credit institutions	78,218	7,279,465			-		3,548,917			10,906,600
Loans and advances to customers - gross	-	13,902,721			1,130		2,056,504			15,960,355
Investment securities - gross	-	635			-		9,314			9,949
Fixed asset	-	73,639			-		96,154			169,793
Other assets - gross	1,547	1,039,810			-		121,570			1,162,927
Total assets (1)	306,257	27,022,021			90,965		6,546,351			33,965,594
Liabilities										
Deposits and borrowings from other credit institutions	8	4,602,688			-		74,366			4,677,062
Deposits from customers	189,246	13,378,884			-		1,466,746			15,034,876
Derivatives and other financial liabilities	9,595	8,404,220			-		2,682,673			11,096,488
Grants, entrusted funds received	-	-			-		449,009			449,009
Valuable papers issued	-	5			-		-			5
Other liabilities	11,572	659,563			-		396,849			1,067,984
Total liabilities (2)	210,421	27,045,360			-		5,069,643			32,325,424
Foreign exchange position on-balance sheet [(3)=(1)-(2)]	95,836	(23,339)			90,965		1,476,708			1,640,170
Foreign exchange position off-balance-sheet (4)	(94,926)	2,201,850			-		(294,817)			1,812,107
Foreign exchange position on and off-balance-sheet [(5)=(3)+(4)]	910	2,178,511			90,965		1,181,891			3,452,277

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As at 31 December 2023	EUR		USD		Gold		Other foreign		Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Assets										
Cash on hand, gold and gemstones	195,794	1,207,300	105,401				442,360		1,950,855	
Balances with the State Banks	6,275	1,881,381	-				309,142		2,196,798	
Deposits with and loans to other credit institutions - gross	91,351	7,315,174	-				1,386,452		8,792,977	
Loans and advances to customers - gross	-	12,920,349	14,459				1,698,140		14,632,948	
Investment securities - gross	-	605	-				10,838		11,443	
Fixed assets	-	39,139	-				107,301		146,440	
Other assets - gross	1,405	1,306,596	-				39,590		1,347,591	
Total assets (1)	294,825	24,670,544	119,860				3,993,823		29,079,052	
Liabilities and equity										
Deposits and borrowings from other credit institutions	8	5,811,675	-				250		5,811,933	
Deposits from customers	161,324	12,454,110	-				1,560,714		14,176,148	
Derivatives and other financial liabilities	71,478	957,479	-				811,158		1,840,115	
Grants, entrusted funds received	-	-	-				323,147		323,147	
Valuable papers issued	-	5	-				-		5	
Other liabilities	28,712	538,600	-				118,663		685,975	
Total liabilities and equity (2)	261,522	19,761,869	-				2,813,932		22,837,323	
Foreign exchange position on-balance sheet [(3)-(1)-(2)]	33,303	4,908,675	119,860				1,179,891		6,241,729	
Foreign exchange position off-balance-sheet (4)	(32,508)	(493,386)	-				(127,861)		(653,755)	
Foreign exchange position on and off-balance-sheet [(5)=(3)+(4)]	795	4,415,289	119,860				1,052,030		5,587,974	

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Below is the analysis of impact to net profit of the Group after considering the current foreign exchange rate and the fluctuations in the past as well as market expectation at the date of this report.

	Effect to net profit Increase/ (decrease) VND million
As at 31 December 2024	
USD (strengthening by 5%)	87,140
EUR (weakening by 1%)	(7)
SJC (strengthening by 4%)	10,188
As at 31 December 2023	
USD (strengthening by 2%)	70,018
EUR (strengthening by 7%)	45
SJC (strengthening by 11%)	10,548

(iii) Equity price risk

Equity price risk is the risk that the market value of securities decreases due to changes in price of individual securities. Equity price risk derives from trading equity securities and available-for-sale equity securities of the Group.

As at 31 December 2024 and 31 December 2023, the impact of equity price risk of the Group is minimal because the Group holds insignificant listed trading equity securities and listed available-for-sale equity securities at the date of this report.

(d) Liquidity risk

Liquidity risk is the risk that the Group has difficulties in meeting the obligations of financial liabilities. Liquidity risk occurs when the Group can not afford to settle debt obligations at the due dates in the normal or stress conditions. To manage the liquidity risk exposure, the Group have diversified the mobilisation of deposits from various sources in addition to its basic capital resources. In addition, the Group has established policy for control of liquidity assets flexibly; monitor the future cash flows and daily liquidity. The Group has also evaluated the estimated cash flows and the availability of current collateral assets in case of obtaining more deposits.

The maturity term of assets and liabilities is the remaining period of assets and liabilities a calculated from the statement of financial position date to the settlement date in accordance with contractual terms and conditions.

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The following assumptions and conditions are applied in analysing the maturity of assets and liabilities of the Group:

- Balances with the SBV is classified as demand deposits;
- The maturity term of investment securities – listed debt securities is considered within one (1) month because of their high liquidity; investment securities – equity securities is considered as from on (1) to three (3) months; maturity term of investment securities – unlisted debt securities and special bond issued by VAMC is calculated based on the maturity date of each kind of securities;
- The maturity term of debts owed to the Government and the SBV; grants, entrusted funds and loans exposed to risks; valuable papers issued; due from and loans to other credit institutions, loans and advances to customers is determined based on the maturity date as stipulated in contracts. The actual maturity term may be altered because loan contracts may be extended.
- The maturity of long-term investments is categorised over 5 years because these investments do not have exact maturity date;
- The maturity of fixed assets is determined by the remaining useful lives of assets;
- The maturity of deposits and borrowings from other credit institutions, deposits from customers, grants, entrusted funds and loans exposed to risks, valuable papers issued and other liabilities is determined based on the characteristic of each item or the maturity date specified in the contracts. Demand deposits from other credit institutions and customers are performed as requests of customers and categorised as call deposits. The maturity period of borrowings and term deposits are determined based on contractual maturity date. In reality, the actual maturities of those liabilities may be longer than the original contractual terms due to rollover; and

Below is the analysis of assets and liabilities of the Group as at 31 December 2024 classified into maturity groups based on the remaining terms from the date of this report to the maturity date. In reality, the maturity date of assets and liabilities might be different from the contractual ones, depending on the appendices to be signed.

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As at 31 December 2024	Overdue			Current				Total VND million
	Overdue over 3 months VND million	Overdue up to 3 months VND million	Up to 1 month VND million	From over 1 to 3 months VND million	From over 3 to 12 months VND million	From over 1 to 5 years VND million	Over 5 years VND million	
Assets								
Cash on hand, gold and gemstones	-	-	8,214,653	-	-	-	-	8,214,653
Balances with the State Banks	-	-	17,644,155	-	-	-	-	17,644,155
Deposits with and loans to other credit institutions	-	-	87,761,435	104,770	374,971	-	-	88,241,176
Loans and advances to customers – gross	12,957,190	4,133,290	33,632,500	99,419,317	192,303,131	80,999,567	115,869,663	539,314,658
Investment securities – gross	-	-	12,190,184	106,354	12,045,363	35,922,766	38,653,498	98,918,165
Long-term investments – gross	-	-	-	-	-	-	96,642	96,642
Fixed assets	-	-	6,304	3,630	77,525	1,462,309	5,805,360	7,355,128
Other assets – gross	2,240,154	681	5,577,202	806,272	2,591,159	2,695,670	87,334	13,998,472
Total assets (1)	15,197,344	4,133,971	165,026,433	100,440,343	207,392,149	121,080,312	160,512,497	773,783,049
Liabilities								
Due to the Government and the State Bank of Vietnam	-	-	1,684	2,249	10,421	39,901	-	54,255
Deposits and borrowings from other credit institutions	-	-	68,565,686	454,720	455,117	892,845	286,924	70,655,292
Deposits from customers	-	-	199,611,681	121,609,162	237,856,766	7,778,675	25,530	566,881,814
Derivatives and other financial liabilities	-	-	54,007	-	-	-	-	54,007
Grants, entrusted funds and loans exposed to risks	-	-	-	1,743	9,255	128,785	309,226	449,009
Valuable papers issued	-	-	5,094,501	203,147	18,818,691	10,827,559	1,809,625	36,753,523
Other liabilities	-	-	6,936,800	3,783,254	7,257,551	293,180	3,791	18,274,576
Total liabilities (2)	-	-	280,264,359	126,054,275	264,407,801	19,960,945	2,435,096	693,122,476
Net liquidity gap [(3)=(1)-(2)]	15,197,344	4,133,971	(115,237,926)	(25,613,932)	(57,015,652)	101,119,367	158,077,401	80,660,573

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As at 31 December 2023	Overdue			Current			Total VND million
	Overdue over 3 months VND million	Overdue up to 3 months VND million	Up to 1 month VND million	From over 1 to 3 months VND million	From over 3 to 12 months VND million	From over 1 to 5 years VND million	
Assets							
Cash on hand, gold and gemstones	-	-	7,545,270	-	-	-	7,545,270
Balances with the State Banks	-	-	12,848,045	-	-	-	12,848,045
Deposits with and loans to other credit institutions - gross	-	-	49,427,687	765,342	139,942	-	50,332,971
Loans and advances to customers - gross	10,984,066	3,505,472	25,912,178	92,582,338	172,015,193	70,553,195	482,731,122
Investment securities - gross	-	-	-	-	-	-	97,014
Long-term investments - gross	-	-	18,148,403	556,074	5,439,578	33,608,845	89,251,513
Fixed assets	-	-	6,215	9,532	107,272	1,340,437	7,269,440
Other assets - gross	2,285,724	15,031	39,301,755	1,597,876	3,044,596	3,059,844	49,413,029
Total assets (1)	13,269,790	3,520,503	153,189,553	95,511,162	180,746,581	108,562,321	699,488,404
Liabilities							
Due to the Government and the State Bank of Vietnam	-	-	429	693	2,499	15,707	19,328
Deposits and borrowings from other credit institutions	-	-	32,443,918	3,377,927	1,139,472	894,632	37,950,111
Deposits from customers	-	-	201,302,036	101,490,749	197,949,293	9,985,916	510,744,394
Derivatives and other financial liabilities	-	-	91,459	-	-	-	91,459
Grants, entrusted funds and loans exposed to risks	-	-	-	-	6,460	52,066	323,147
Valuable papers issued	-	-	158,222	2,443,645	16,977,400	8,969,148	28,992,491
Other liabilities	-	-	36,664,098	4,444,338	9,005,875	415,346	50,534,866
Total liabilities (2)	-	-	270,660,162	111,757,352	225,080,999	20,332,815	628,655,796
Net liquidity gap [(3)=(1)-(2)]	13,269,790	3,520,503	(17,470,609)	(16,246,190)	(44,334,418)	88,229,506	70,832,608

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44. SUPPLEMENTAL NOTES ON FINANCIAL ASSETS AND FINANCIAL LIABILITIES

On 6 November 2009, the Ministry of Finance issued Circular No. 210/2009/TT-BTC providing guidance for the adoption in Vietnam of the International Financial Reporting Standards on presentation and disclosures of financial instruments ("Circular 210") which is effective for financial years beginning on or after 1 January 2011.

The Circular 210 only provides for the presentation and disclosures of financial instruments; therefore, the concepts of financial assets, financial liabilities and related concepts are applied solely for the supplemental presentation. Assets, liabilities and equity of the Group have been recognised and measured in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions, the official approval guidance of the State Bank of Vietnam for the Post-merger Restructuring Plan and the Group's proposals mentioned in the Post-merger Restructuring Plan for the financial regimes and resolutions in relation to accrued interest receivables, VAMC's special bonds, bad debts, doubtful assets and investment securities during the restructuring period and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

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The following table presents the carrying value and fair value of the Group's financial assets and financial liabilities as at 31 December 2024:

	31/12/2024		31/12/2023	
	Carrying amount VND million	Fair value VND million	Carrying amount VND million	Fair value VND million
Financial assets				
Cash on hand, gold, gemstones	8,214,653	8,214,653	7,545,270	7,545,270
Balances with the SBV	17,644,155	17,644,155	12,848,045	12,848,045
Deposits with and loans to other credit institutions	88,241,176	(*)	50,332,971	(*)
Loans and advances to customers	530,448,003	(*)	475,169,108	(*)
Available-for-sale securities	23,542,839	(*)	22,549,749	(*)
Held-to-maturity securities	62,105,338	(*)	52,086,096	(*)
Other long-term investments	82,204	(*)	82,642	(*)
Other financial assets	9,151,733	(*)	42,979,539	(*)
	<u>739,430,101</u>		<u>663,593,420</u>	
Financial liabilities				
Due to the SBV	54,255	(*)	19,328	(*)
Deposits and borrowings from other credit institutions	70,655,292	(*)	37,950,111	(*)
Deposits from customers	566,881,814	(*)	510,744,394	(*)
Derivatives and other financial liabilities	54,007	(*)	91,459	(*)
Grants, entrusted funds and loans exposed to risks	449,009	(*)	323,147	(*)
Valuable papers issued	36,753,523	(*)	28,992,491	(*)
Other financial liabilities	12,803,839	(*)	45,608,558	(*)
	<u>687,651,739</u>		<u>623,729,488</u>	

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

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Information on primary segment reporting by geographical areas of the Group is as follows:

45. SEGMENT REPORTING

(a) Primary segment reporting

Year ended 31 December 2024	The Northern Region		The Central Region		The Southern Region		Total reported segments		Eliminations		Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Interest and similar income	8,668,437	8,458,655	47,682,164	165,834	396,544	65,371,634	15,382,913	49,988,721				
Interest and similar expenses	(5,658,467)	(4,703,108)	(30,130,914)	(74,440)	(273,007)	(40,839,936)	(15,382,913)	(25,457,023)				
Net interest and similar income	3,009,970	3,755,547	17,551,250	91,394	123,537	24,531,698	-	24,531,698				
Non-interest income	348,450	220,254	3,399,671	61,251	115,794	4,145,420	-	4,145,420				
TOTAL OPERATING INCOME	3,358,420	3,975,801	20,950,921	152,645	239,331	28,677,118	-	28,677,118				
TOTAL OPERATING EXPENSES	(1,240,904)	(1,031,729)	(11,374,333)	(125,222)	(210,201)	(13,982,389)	-	(13,982,389)				
Operating profits before allowance expenses for credit losses	2,117,516	2,944,072	9,576,588	27,423	29,130	14,694,729	-	14,694,729				
Allowance expenses for credit losses	-	-	(2,153,766)	45,816	133,586	(1,974,364)	-	(1,974,364)				
PROFIT BEFORE TAX	2,117,516	2,944,072	7,422,822	73,239	162,716	12,720,365	-	12,720,365				
As at 31 December 2024												
Assets												
Cash on hand, gold and gemstones	1,125,723	1,013,119	5,856,027	30,932	188,852	8,214,653	-	8,214,653				
Balances with the State Banks	320,968	656,625	14,795,509	312,254	1,558,799	17,644,155	-	17,644,155				
Deposits with and loans to other credit institutions	49,627	2,713	87,537,095	337,711	314,030	88,241,176	-	88,241,176				
Loans and advances to customers - net	84,066,998	90,072,266	350,017,791	1,745,278	4,545,670	530,448,003	-	530,448,003				
Investment securities - net	-	-	85,720,432	9,314	635	85,730,381	-	85,730,381				
Other assets	980,929	1,050,173	15,850,519	223,772	274,586	18,379,979	(563,801)	17,816,178				
TOTAL ASSETS	86,544,245	92,794,896	559,777,373	2,659,261	6,882,572	748,658,347	(563,801)	748,094,546				
Liabilities												
Due to the Government and the State Bank of Vietnam	-	-	54,255	-	-	54,255	-	54,255				
Deposits and borrowings from other credit institutions	738,829	4,961	69,704,667	74,372	132,463	70,655,292	-	70,655,292				
Deposits from customers	105,777,397	72,597,530	381,968,378	1,518,091	5,020,418	566,881,814	-	566,881,814				
Other liabilities	5,388,758	3,053,493	46,781,448	538,472	332,745	56,094,916	(563,801)	55,531,115				
TOTAL LIABILITIES	111,904,984	75,655,984	498,508,748	2,130,935	5,485,626	693,686,277	(563,801)	693,122,476				

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(a) Primary segment reporting (continued)

Year ended 31 December 2023	The Northern Region		The Central Region		The Southern Region		Laos		Cambodia		Total reported segments		Eliminations		Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
Interest and similar income	10,535,362	10,283,806	53,567,137	165,267	392,932	74,944,504	(19,017,175)	55,927,329								
Interest and similar expenses	(7,670,749)	(6,264,181)	(38,656,568)	(81,923)	(198,750)	(52,872,171)	19,017,175	(33,854,996)								
Net interest and similar income	2,864,613	4,019,625	14,910,569	83,344	194,182	22,072,333	-	22,072,333								
Non-interest income	244,239	161,722	3,541,373	58,325	95,019	4,100,678	-	4,100,678								
TOTAL OPERATING INCOME	3,108,852	4,181,347	18,451,942	141,669	289,201	26,173,011	-	26,173,011								
TOTAL OPERATING EXPENSES	(1,158,259)	(983,323)	(10,430,971)	(102,862)	(214,491)	(12,889,906)	-	(12,889,906)								
Operating profits before allowance expenses for credit losses	1,950,593	3,198,024	8,020,971	38,807	74,710	13,283,105	-	13,283,105								
Allowance expenses for credit losses	-	-	(3,822,179)	33,376	100,698	(3,688,105)	-	(3,688,105)								
PROFIT BEFORE TAX	1,950,593	3,198,024	4,198,792	72,183	175,408	9,595,000	-	9,595,000								
As at 31 December 2023																
Assets																
Cash on hand, gold and gemstones	1,018,457	1,009,752	5,296,065	29,952	191,044	7,545,270	-	7,545,270								
Balances with the States Banks	222,085	491,433	10,698,366	376,356	1,059,805	12,848,045	-	12,848,045								
Deposits with and loans to other credit institutions - net	16,994	769	49,870,406	356,721	88,081	50,332,971	-	50,332,971								
Loans and advances to customers - net	69,229,619	83,011,254	317,527,514	1,332,335	4,068,386	475,169,108	-	475,169,108								
Investment securities - net	-	-	74,707,044	10,838	605	74,718,487	-	74,718,487								
Other assets	2,549,509	1,369,874	50,115,479	144,943	158,723	54,338,528	(562,749)	53,775,779								
TOTAL ASSETS	73,036,664	85,883,082	508,214,874	2,251,145	5,566,644	674,952,409	(562,749)	674,389,660								
Liabilities																
Due to the Government and the State Bank of Vietnam	-	-	19,328	-	-	19,328	-	19,328								
Deposits and borrowings from other credit institutions	68,302	5,474	37,748,726	452	127,157	37,950,111	-	37,950,111								
Deposits from customers	92,234,958	64,408,975	348,642,317	1,381,906	4,076,238	510,744,394	-	510,744,394								
Valuable papers issued	4,818,466	2,388,059	21,785,966	-	-	28,992,491	-	28,992,491								
Other liabilities	2,826,077	1,727,531	46,381,549	412,555	164,509	51,512,221	(562,749)	50,949,472								
TOTAL LIABILITIES	99,947,803	68,530,039	454,577,886	1,794,913	4,367,904	629,218,545	(562,749)	628,655,796								

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(b) Secondary segment reporting

For management purposes, the Group is organised into sectors based on the followings:

Individual customers and corporate customers:

The products and services provided to individual and corporate customers include:

- Deposits from customers;
- loans and advances to customers; and
- card services and remittance services.

Investments:

Investment securities and other long-term investments

Interbank activities:

Placements, takings, borrowings, lending and other interbank activities with other credit institutions.

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(b) Secondary segment reporting (continued)

Information on assets and liabilities of the business sectors of the Group as at 31 December 2024 is as follows:

	Individual and corporate customers		Investments		InterBank activities		Un-allocated general activities		Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
ASSETS										
Cash on hand, gold and gemstones	-	-	-	-	-	-	8,214,653	-	8,214,653	8,214,653
Balances with the State Banks	-	-	-	-	17,644,155	-	-	-	17,644,155	17,644,155
Deposits with and loans to other credit institutions – net	-	-	-	-	88,241,176	-	-	-	88,241,176	88,241,176
Loans and advances to customers – net	530,448,003	-	-	-	-	-	-	-	530,448,003	530,448,003
Investment securities – net	-	-	85,648,177	-	-	-	-	-	85,648,177	85,648,177
Long-term investments – net	-	-	82,204	-	-	-	-	-	82,204	82,204
Fixed assets	-	-	-	-	-	-	7,355,128	-	7,355,128	7,355,128
Other assets – net	7,316,819	1,779,085	-	-	55,829	-	1,309,317	-	10,461,050	10,461,050
TOTAL ASSETS	537,764,822	87,509,466	105,941,160	16,879,098	748,094,546					
LIABILITIES										
Due to the Government and the State Bank of Vietnam	-	-	-	-	54,255	-	-	-	54,255	54,255
Deposits and borrowings from other credit institutions	-	-	-	-	70,655,292	-	-	-	70,655,292	70,655,292
Deposits from customers	566,881,814	-	-	-	-	-	-	-	566,881,814	566,881,814
Derivatives and other financial liabilities	-	-	-	-	54,007	-	-	-	54,007	54,007
Grants, entrusted funds and loans exposed to risks	-	-	-	-	449,009	-	-	-	449,009	449,009
Valuable papers issued	21,953,523	-	-	-	14,800,000	-	-	-	36,753,523	36,753,523
Other liabilities	12,293,229	-	-	-	510,610	-	-	-	18,274,576	18,274,576
TOTAL LIABILITIES	601,128,566	-	86,523,173	5,470,737	693,122,476					

Segmental information on the Group's income and expenses is not presented because the Group has not established a management information system to collect such information.

(b) Secondary segment reporting (continued)

Information on assets and liabilities of the business sectors of the Group as at 31 December 2023 is as follows:

	Individual and corporate customers		Investments		InterBank activities		Un-allocated general activities		Total	
	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million	VND million
ASSETS										
Cash on hand, gold and gemstones	-	-	-	-	-	-	7,545,270	-	7,545,270	7,545,270
Balances with the State Banks	-	-	-	-	12,848,045	-	-	-	12,848,045	12,848,045
Deposits with and loans to other credit institutions – net	-	-	-	-	50,332,971	-	-	-	50,332,971	50,332,971
Deposits from customers	475,169,108	-	-	-	-	-	-	-	475,169,108	475,169,108
Investment securities – net	-	-	74,635,845	-	-	-	-	-	74,635,845	74,635,845
Long-term investments – net	-	-	82,642	-	-	-	-	-	82,642	82,642
Fixed assets	-	-	-	-	-	-	7,269,440	-	7,269,440	7,269,440
Other assets – net	41,075,487	1,690,830	-	-	206,692	-	3,533,330	-	46,506,339	46,506,339
TOTAL ASSETS	516,244,595	76,409,317	63,387,708	18,348,040	674,389,660					
LIABILITIES										
Due to the Government and the State Bank of Vietnam	-	-	-	-	19,328	-	-	-	19,328	19,328
Deposits and borrowings from other credit institutions	-	-	-	-	37,950,111	-	-	-	37,950,111	37,950,111
Deposits from customers	510,744,394	-	-	-	-	-	-	-	510,744,394	510,744,394
Derivatives and other financial liabilities	-	-	-	-	91,459	-	-	-	91,459	91,459
Grants, entrusted funds and loans exposed to risks	-	-	-	-	323,147	-	-	-	323,147	323,147
Valuable papers issued	14,192,491	-	-	-	14,800,000	-	-	-	28,992,491	28,992,491
Other liabilities	38,572,670	-	-	-	7,035,887	-	-	-	50,534,866	50,534,866
TOTAL LIABILITIES	563,509,555	-	60,219,932	4,926,309	628,655,796					

Segmental information on Group's income and expenses is not presented because the Group has not established a management information system to collect such information.

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46. COMMITMENTS

(a) Capital expenditure commitments

	31/12/2024 VND million	31/12/2023 VND million
Capital commitments for office construction and equipment procurement	372,532	441,985

(b) Lease commitments

	31/12/2024 VND million	31/12/2023 VND million
Within one year	448,018	473,091
Over one year to five years	1,496,039	1,624,780
More than five years	458,981	556,745
	2,403,038	2,654,616

47. POST BALANCE SHEET EVENT

There were no significant events occurring after the end of the accounting period which require adjustments or disclosures in the Bank's consolidated financial statements for the year ended 31 December 2024.

31 March 2025

Preparer



Luu Van Hoa
Accountant

Reviewer



Huynh Thanh Giang
Chief Accountant

Approver



Nguyen Duc Thach Diem
General Director



Sacombank

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