

AUDITED CONSOLIDATED

FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

**VIETNAM - ASIA COMMERCIAL
JOINT STOCK BANK**



CONTENTS

---000---

	Pages
1- REPORT OF THE BOARD OF MANAGEMENT	01 - 04
2- INDEPENDENT AUDITOR'S REPORT	05
3- CONSOLIDATED BALANCE SHEET	06 - 09
4- CONSOLIDATED INCOME STATEMENT	10
5- CONSOLIDATED CASH FLOWS STATEMENT	11 - 13
6- NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS	14 - 57

REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2020

The Board of Management of Vietnam - Asia Commercial Joint Stock Bank has the honor of submitting this report and the audited consolidated financial statements for the fiscal year ended December 31, 2020.

1. Business highlights

Establishment:

Vietnam - Asia Commercial Joint Stock Bank (herein referred to as the "Bank") is established and registered in the Socialist Republic of Vietnam.

The State Bank of Vietnam ("SBV") issued Banking License No. 55/GP-NHNN on May 31, 2019 for establishment and operation of Vietnam - Asia Commercial Joint Stock Bank. This license replaced Banking License No. 12/NH-GP dated May 09, 2003 and Decision No. 440/QĐ/NHNN dated May 09, 2003 issued by SBV. The Bank has been operating for 99 years from May 9, 2003.

The Bank's principal activities:

- Receiving demand deposits, term deposits, savings deposits and other types of deposits.
- Providing credit in the following forms:
 - + Loan;
 - + Discount, rediscount negotiable instruments and other valuable papers;
 - + Bank guarantee;
 - + Credit card issuance;
 - + Domestic factoring.
- Opening payment accounts for customers
- Providing domestic payment services:
 - + Supply of payment facilities;
 - + Providing check payment services, payment orders, payment orders, collection orders, collection orders, letters of credit, bank cards, collection and payment services.
- Open an account
 - + Opening an account at the State Bank of Vietnam;
 - + Opening accounts at other credit institutions and branches of foreign banks.
- Organize internal payment, join the national inter-bank payment system
- Cash management, banking and financial advisory services; services of managing, preserving assets, leasing safety cabinets and deposit boxes.
- Consulting on corporate finance, merger and acquisition, investment.
- Participate in bidding, buying and selling Treasury bills, negotiable instruments, Government bonds, State Bank bills and other valuable papers on the money market.
- Buying and selling government bonds, corporate bonds.
- Monetary brokerage service.
- Issuing deposit certificates, promissory notes, treasury bills and bonds to raise capital in accordance with the Law on Credit Institutions, the Law on Securities, the Government's regulations and the guidance of the State

REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2020

- Borrowing capital from the State Bank in the form of refinancing in accordance with the Law on the State Bank of Vietnam and the guidance of the State Bank of Vietnam.
- Borrow, lend, deposit and receive deposits of credit institutions, foreign bank branches, domestic and foreign financial institutions in accordance with the laws and guidelines of the State Bank of Vietnam.
- Contributing capital, buying shares in accordance with the law and the guidance of the State Bank of Vietnam.
- Entrusting, accepting trustees and acting as agents in banking-related activities, insurance business and asset management according to the provisions of law and the guidance of the State Bank of Vietnam.
- Trading and providing foreign exchange services on the domestic market and on the international market within the scope prescribed by the State Bank of Vietnam.
- Trading in buying and selling gold bars.
- Buying debt.
- Investing in government bond futures contracts.
- Electronic wallet.

Short name: VIETABANK

Head office: No.34A-34B, Han Thuyen Street, Pham Dinh Ho Ward, Hai Ba Trung District, Ha Noi City, Vietnam.

2. Consolidated financial position and results of operation

The Bank's consolidated financial position and results of operation of the year are presented in the attached consolidated financial statements.

3. Board of Directors, Board of Supervisors, Board of Management and Chief Accountant

Members of the Board of Directors, Board of Supervisors, Board of Management and Chief Accountant in the year and to the reporting date include:

Board of Directors

Mr. PHUONG HUU VIET	Chairman	
Mr. PHAN VAN TOI	Vice Chairman	
Mr. PHUONG XUAN THUY	Vice Chairman	(resigned on June 20, 2020)
Mr. NGUYEN VAN HAO	Member	(resigned on September 26, 2020)
Mr. TRAN TIEN DUNG	Member	
Ms. PHUONG MINH HUE	Member	(appointed on June 20, 2020)
Mr. NGUYEN HONG HAI	Member	(appointed on June 20, 2020)
Ms. NGUYEN THI LAN HUONG	Member	(resigned on June 20, 2020)

Board of Supervisors

Ms. NGUYEN KIM PHUONG	Chief Supervisor
Ms. NGUYEN THI HOAN	Member
Mr. HOANG VU TUNG	Member

REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2020

Board of Management and Chief Accountant

Mr. NGUYEN VAN HAO	General Director	(resigned on July 01, 2020)
Mr. NGUYEN VAN TRONG	Deputy CEO	(appointed on July 01, 2020)
Mr. PHAM LINH	Deputy General Director	
Mr. TRAN TIEN DUNG	Deputy General Director	
Mr. VU DUC HUNG	Deputy General Director	(resigned on August 01, 2020)
Mr. LE MINH HUAN	Deputy General Director	
Mr. CU ANH TUAN	Deputy General Director	(appointed on August 01, 2020)
Mr. PHUONG THANH LONG	Deputy General Director	(appointed on January 04, 2021)
Mr. LA QUANG TRUNG	Chief Accountant	(resigned on May 01, 2020)
Mr. NGUYEN THANH CONG	Deputy of Finance Department	(appointed on July 01, 2020)

Legal representatives of the Bank

Legal representative of the Bank in the year and to the reporting date is Mr. PHUONG HUU VIET.

Mr. PHUONG HUU VIET has authorized Mr. NGUYEN VAN TRONG to sign the consolidated financial statements for the fiscal year ended December 31, 2020 in accordance with the Power of Attorney No. 173/2020/UQ-CT.HĐQT dated June 30, 2020.

4. Other information

The State Bank of Vietnam issued Official dispatch No. 10088/NHNN-TTGSNH on December 25, 2019 to approve the increase of charter capital of Vietnam - Asia Commercial Joint Stock Bank from VND 3,500 billion to VND 5,000 billion. The Bank offered shares to the public under the Certificate No. 45/GCN-UBCK dated March 26, 2020 issued by State Securities Commission of Vietnam (SSC). On June 30, 2020, SSC issued Official dispatch No. 4181/UBCK-QLCB to report on results of public share offering that the Bank successfully offered 97.36 million shares at VND 10,000 per, total amount of VND 973.6 billion. However, due to the percentage of shares owned by individual shareholders exceeded the prescribed rate, on November 19, 2020, the Bank sent to SSC the Report No. 304/2020/BC-VAB on the result of the public offering after completing the share offering and the total number of distributed shares is 94.96 million shares with par value of VND 10,000 per share, equivalent to VND 949.64 billions. On December 7, 2020, the SSC issued Official Letter No. 7191/UBCK-QLCB approving the adjustment of the issuance results and approving the results that VAB had successfully issued 94,964,520 shares.

5. Auditor

Auditing and Informatic Services Company Limited (AISC) has been appointed as an independent auditor for the fiscal year ended December 31, 2020.

6. Statement of the Responsibility of the Board of Management

The Board of Management of the Bank is responsible for the preparation of the consolidated financial statements which give a true and fair view of the financial position of the Bank as of December 31, 2020 as well as its results of operation and cash flows for the year then ended. In order to prepare these consolidated financial statements, the Board of Management has considered and complied with the following matters:

- Selected appropriate accounting policies and applied them consistently;
- Made judgments and estimates that are reasonable and prudent;

REPORT OF THE BOARD OF MANAGEMENT

For the fiscal year ended December 31, 2020

- The consolidated financial statements of the Bank are prepared on a going concern basis unless it is inappropriate to presume that the Bank will continue in business.

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the consolidated financial position of the Bank and that the consolidated financial statements are prepared in compliance with the accounting policies stated in the Notes to the Consolidated Financial Statements. The Board of Management is also responsible for safeguarding the assets of the Bank and thus taking reasonable steps for the prevention and detection of fraud and other irregularities.

7. Approval of the Financial Statements

In the Board of General Director's opinion, the consolidated financial statements consisting of Consolidated Balance Sheet as at December 31, 2020, Consolidated Income Statement, Consolidated Cash Flow Statement and Notes to the Consolidated Financial Statements enclosed with this report give a true and fair view of the financial position of the Bank as well as its operating results and cash flows for the fiscal year ended December 31, 2020.

The consolidated financial statements are prepared in compliance with Vietnamese Accounting Standards and the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam.

Ha Noi City, April 13, 2021

For and on behalf of the Board of Management



NGUYEN VAN TRONG

Deputy CEO

**CÔNG TY TNHH KIỂM TOÁN VÀ DỊCH VỤ TIN HỌC TP.HCM**

Auditing And Informatic Services Company Limited

Head Office: 389A Dien Bien Phu Str., Ward 4, Dist.3, Ho Chi Minh City

Tel: (84.28) 3832 9129 (10 Lines)

Fax: (84.28) 3834 2957

Email: info@aisc.com.vn

Website: www.aisc.com.vn

No.: A0420124-HN/AISC-DNG

INDEPENDENT AUDITOR'S REPORT**THE SHAREHOLDERS, BOARD OF DIRECTORS AND
BOARD OF MANAGEMENT****VIETNAM - ASIA COMMERCIAL JOINT STOCK BANK**To:

We have audited the consolidated financial statements of **Vietnam - Asia Commercial Joint Stock Bank** ("the Bank") consisting of Consolidated Balance Sheet as at December 31, 2020; Consolidated Income Statement, Consolidated Cash Flows Statement for the year then ended and Notes to the Consolidated Financial Statements as set out on Page 06 to Page 57, which were prepared on April 13, 2021.

Responsibility of the Board of Management

The Board of Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Vietnamese Accounting Standards, Accounting System for Banks of Viet Nam and prevailing regulations applicable to the preparation and presentation of the consolidated financial statements and also for the internal control that the Board of Management considers necessary for the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Responsibility of the Auditor

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

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

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

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 **Vietnam - Asia Commercial Joint Stock Bank** as at December 31, 2020 as well as the consolidated results of its operation and its cash flows for the year then ended. The consolidated financial statements are prepared in compliance with the prevailing Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam and other statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

Ho Chi Minh City, April 13, 2021

**PP. GENERAL DIRECTOR
DEPUTY GENERAL DIRECTOR****Đương Thị Phương Anh**

Certificate of Audit Practice Registration

No.0321-2018-005-1

Issued by the Ministry of Finance

AUDITOR**Pham Thi Thanh Mai**

Certificate of Audit Practice Registration

No.1044-2018-005-1

Issued by the Ministry of Finance

CONSOLIDATED BALANCE SHEET

As at December 31, 2020

Unit: VND

ITEMS	Notes	Dec. 31, 2020	Jan. 01, 2020
A. ASSETS			
I. Cash on hand, gold and gemstones	V.01	295,746,112,695	266,475,949,276
II. Balances with the State Bank of Vietnam	V.02	2,200,651,682,348	2,941,222,700,590
III. Deposits with and loans to other credit institutions	V.03	15,223,083,833,362	11,627,382,764,646
1. Deposits with other credit institutions		15,223,083,833,362	11,627,382,764,646
2. Loans to other credit institutions		-	-
3. Provisions for losses		-	-
IV. Held-for-trading securities		-	-
1. Held-for-trading securities		-	-
2. Provisions for losses of held-for-trading securities		-	-
V. Derivative financial instruments and other financial assets	V.4	5,554,449,516	49,127,120,000
VI. Loans to customers		47,808,005,549,421	42,158,036,315,716
1. Loans to customers	V.5.1	48,378,542,968,777	42,623,753,622,624
2. Provisions for credit losses of loans to customers	V.5.2	(570,537,419,356)	(465,717,306,908)
VII. Debts purchasing activities	V.06	-	1,518,946,560
1. Debts purchasing		-	1,518,946,560
2. Provisions for losses of debts purchasing activities		-	-
VIII. Investment securities	V.07	12,399,950,665,898	13,442,438,356,158
1. Available-for-sale securities		11,216,122,161,812	10,218,379,052,113
2. Held-to-maturity securities		1,199,999,287,624	4,062,797,278,819
3. Provisions for impairment of investment securities		(16,170,783,538)	(838,737,974,774)
IX. Long-term investments	V.08	113,873,630,000	313,373,630,000
1. Investments in subsidiaries		-	-
2. Investments in joint-ventures		-	-
3. Investments in associates		-	-
4. Investments in equity of other entities		113,873,630,000	313,373,630,000
5. Provision for decline in the value of long-term investments		-	-

CONSOLIDATED BALANCE SHEET

As at December 31, 2020

Unit: VND

ITEMS	Notes	Dec. 31, 2020	Jan. 01, 2020
X. Fixed assets		207,724,906,906	196,517,738,805
1. Tangible fixed assets	V.9	72,773,496,212	80,444,595,262
a. Cost		295,165,480,544	309,541,716,472
b. Accumulated depreciation		(222,391,984,332)	(229,097,121,210)
2. Finance lease assets		-	-
a. Cost		-	-
b. Accumulated depreciation		-	-
3. Intangible fixed assets	V.10	134,951,410,694	116,073,143,543
a. Cost		234,887,713,253	216,317,193,940
b. Accumulated amortisation		(99,936,302,559)	(100,244,050,397)
XI. Investment Properties		-	3,034,540,000
a. Cost		-	3,034,540,000
b. Accumulated depreciation		-	-
XII. Other assets	V.11	8,274,759,023,315	5,447,635,577,054
1. Receivables		3,063,802,580,285	1,198,378,832,013
2. Accrued interest and fees receivable		3,453,802,454,335	3,111,601,728,533
3. Deferred income tax assets		-	-
4. Other assets		1,806,636,861,715	1,187,355,016,508
- In which: Goodwill		-	-
5. Provisions for impairment of other balance sheet assets		(49,482,873,020)	(49,700,000,000)
TOTAL ASSETS		86,529,349,853,461	76,446,763,638,805

CONSOLIDATED BALANCE SHEET

As at December 31, 2020

Unit: VND

ITEMS	Notes	Dec. 31, 2020	Jan. 01, 2020
B. LIABILITIES AND EQUITY			
I. Borrowings from the Government and the State Bank of Vietnam		-	-
II. Deposits and borrowings from other credit institutions	V.12	18,166,993,738,362	21,416,475,700,130
1. Deposits from other credit institutions		13,601,194,237,235	12,748,638,300,157
2. Borrowings from other credit institutions		4,565,799,501,127	8,667,837,399,973
III. Deposits from customers	V.13	59,271,859,700,279	47,428,710,471,366
IV. Derivative financial instruments and other financial liabilities		-	-
V. Grants, trusted funds and borrowings at risk of the credit institution	V.14	-	6,546,256,000
VI. Valuable papers issued	V.15	1,357,635,398,735	1,249,345,128,315
VII. Other liabilities	V.16	2,008,933,360,113	1,903,419,629,782
1. Accrued interest and fees payable		1,602,620,402,642	1,373,901,578,799
2. Deferred income tax liabilities		-	-
3. Other liabilities		406,312,957,471	529,518,050,983
4. Provisions for other risk (Provisions for contingent liabilities)		-	-
TOTAL LIABILITIES		80,805,422,197,489	72,004,497,185,593

CONSOLIDATED BALANCE SHEET

As at December 31, 2020

Unit: VND

ITEMS	Notes	Dec. 31, 2020	Jan. 01, 2020
VIII. Capital and reserves	V.17	5,723,927,655,972	4,442,266,453,212
1. Contributed capital		4,449,747,740,351	3,500,102,540,351
a. Charter capital		4,449,635,670,000	3,499,990,470,000
b. Investment reserve for basic construction, purchases of fixed assets		-	-
c. Share premium		98,600,000	98,600,000
d. Treasury shares		-	-
e. Preferred shares		-	-
f. Other capital		13,470,351	13,470,351
2. Reserves		276,854,471,680	227,052,071,266
3. Foreign exchange differences		-	-
4. Difference upon assets revaluation		-	-
5. Undistributed earnings/Accumulated losses		997,325,443,941	715,111,841,595
TOTAL LIABILITIES AND OWNERS' EQUITY		86,529,349,853,461	76,446,763,638,805

OFF-BALANCE SHEET ITEMS

ITEMS	Notes	Dec. 31, 2020	Jan. 01, 2020
1. Credit guarantees		300,000,000,000	-
2. Commitments on foreign exchange	VIII.33	3,162,645,000,000	11,921,835,076,420
2.1 Commitments on purchase of foreign currencies		-	231,730,000,000
2.2 Commitments on sale of foreign currencies		-	-
2.3 Cross currency swap contracts		3,162,645,000,000	11,690,105,076,420
2.4 Cross currency futures contracts		-	-
3. Undisputed loan commitment		-	-
4. Letters of credit	VIII.33	382,891,507,294	158,276,346,490
5. Other guarantees	VIII.33	684,886,456,296	548,756,050,446
6. Other commitments		-	-

Ha Noi City, April 13, 2021

Prepared by

Accountant

Deputy CEO


 NGUYEN HUU CUONG


 NGUYEN THANH CONG


 NGUYEN VAN TRONG

CONSOLIDATED INCOME STATEMENT

For the fiscal year ended December 31, 2020

Unit: VND

ITEMS	Notes	Year 2020	Year 2019
1. Interest and similar income	VI.18	5,788,355,560,383	4,918,276,257,643
2. Interest and similar expenses	VI.19	4,477,575,756,332	3,899,112,159,152
I. Net interest income		1,310,779,804,051	1,019,164,098,491
3. Income from services		50,434,749,704	22,992,606,611
4. Expenses on services		33,934,070,409	36,136,649,589
II. Net gain/(loss) from services	VI.20	16,500,679,295	(13,144,042,978)
III. Net gain/(loss) from trading foreign currencies	VI.21	33,984,368,124	9,619,206,443
IV. Net gain/(loss) from trading securities	VI.22	1,277,542,843	2,280,537,636
V. Net gain/(loss) from investment securities	VI.23	16,093,101,809	1,819,467,837
5. Other operating income		402,700,018,609	229,944,657,669
6. Other operating expenses		47,429,682,136	7,764,518,553
VI. Net gain/(loss) from other activities	VI.24	355,270,336,473	222,180,139,116
VII. Income from investments in other entities	VI.25	47,822,955,000	1,165,328,500
VIII. Operating expenses	VI.26	616,682,423,678	601,331,722,462
IX. Net profit from operating activities before credit provision expenses		1,165,046,363,917	641,753,012,583
X.1 Provision expenses for credit losses	VI.27	757,570,969,567	365,935,334,805
XI. Profit before tax		407,475,394,350	275,817,677,778
7. Current corporate income tax expense		75,459,391,590	68,420,133,886
8. Deferred corporate income tax expense		-	-
XII. Total income tax expense	VI.28	75,459,391,590	68,420,133,886
XIII. Profit after tax		332,016,002,760	207,397,543,892
XIV. Minority interests			-
XV. Earnings per share	V.17.2	834	593

Ha Noi City, April 13, 2021

Prepared by

Accountant

Deputy CEO



NGUYEN HUU CUONG



NGUYEN THANH CONG



NGUYEN VAN TRONG

CONSOLIDATED CASH FLOW STATEMENT

(Under direct method)

For the fiscal year ended December 31, 2020

Unit: VND

ITEMS	Notes	Year 2020	Year 2019
CASH FLOWS FROM OPERATING ACTIVITIES			
01. Interest and similar income received		5,446,154,834,581	4,260,692,942,645
02. Interest and similar expenses paid		(4,248,856,932,489)	(3,535,528,942,198)
03. Net fee and commission (expenses paid)/income received		16,500,679,295	(13,144,042,978)
04. Net (payments for)/receipts from trading activities (foreign currencies, gold and securities)		51,355,012,776	13,719,211,916
05. (Other expenses paid)/ other income received		324,639,103,101	(71,681,203,261)
06. Receipts from debts written - off or paid off by risk fund		30,611,642,463	-
07. Salaries and operating expenses paid		(595,282,519,725)	(581,397,082,857)
08. Corporate income tax paid during the year		(76,334,875,391)	(33,986,816,408)
<i>Cash flows from operating activities before changes in operating assets and liabilities</i>		948,786,944,611	38,674,066,859
<i>Changes in operating assets</i>			
09. (Increase)/Decrease in deposits with and loans to other credit institutions		100,000,000,000	(50,000,000,000)
10. (Increase)/Decrease in held-for-trading securities		1,865,054,881,496	(1,346,777,074,042)
11. (Increase)/Decrease in derivatives and other financial assets		43,572,670,484	(48,243,370,000)
12. (Increase)/Decrease in loans and advances to customers		(5,753,270,399,593)	(4,707,635,170,453)
13. Utilisations of allowance for credit losses		(1,475,928,935,335)	-
14. (Increase)/Decrease in other operating assets		(2,712,119,122,848)	(56,261,431,352)

CONSOLIDATED CASH FLOW STATEMENT

(Under direct method)

For the fiscal year ended December 31, 2020

Unit: VND

ITEMS	Notes	Year 2020	Year 2019
Changes in operating liabilities			
15. Increase/(Decrease) in borrowings from the State Bank of Vietnam		-	(10,171,722,067)
16. Increase/(Decrease) in deposits and borrowings from other credit institutions		(3,249,481,961,768)	(1,297,985,959,521)
17. Increase/(Decrease) in deposits from customers (including State Treasury)		11,843,149,228,913	6,061,612,314,792
18. Increase/(Decrease) in issued valuable papers (excluding issued valuable papers charged to financial activities)		108,290,270,420	(432,798,293,653)
19. Increase/(Decrease) in grants, trusted funds and borrowing at risk of the credit institution		(6,546,256,000)	(7,712,252,000)
20. Increase/(Decrease) in derivatives and other financial liabilities		-	-
21. Increase/(Decrease) in other operating liabilities		105,513,730,331	635,106,287,493
22. Cash outflows from reserves of the credit institution		-	-
I. Net cash flows from operating activities		1,817,021,050,711	(1,222,192,603,944)
CASH FLOWS FROM INVESTING ACTIVITIES			
01. Payments for purchases of fixed assets		(32,643,122,727)	(18,067,475,196)
02. Proceeds from disposals of fixed assets		19,590,909	-
03. Expenses on disposals of fixed assets		-	-
04. Payments for purchases of investment properties		-	(3,034,540,000)
05. Proceeds from disposals of investment properties		3,034,540,000	-
06. Expenses on disposals of investment properties		-	-
07. Investments in other entities		-	-
08. Proceeds from divestment in other entities		199,500,000,000	-
09. Receipts of dividends and profit distributions from capital contribution, long-term investment		47,822,955,000	1,165,328,500
II. Net cash flows from investing activities		217,733,963,182	(19,936,686,696)

CONSOLIDATED CASH FLOW STATEMENT

(Under direct method)

For the fiscal year ended December 31, 2020

Unit: VND

ITEMS	Notes	Year 2020	Year 2019
CASH FLOWS FROM FINANCING ACTIVITIES			
01. Proceeds from share capital issued		949,645,200,000	-
02. Proceeds from long-term valuable papers issued that are eligible into equity and other long-term loans		-	-
03. Expenses on long-term valuable papers paid that are eligible into equity and other long-term loans		-	-
04. Dividends paid		-	-
05. Payments for purchases of treasury shares		-	-
06. Proceeds from purchases of treasury shares		-	-
III. Net cash flows from financing activities		949,645,200,000	-
IV. Net cash flows during the year		2,984,400,213,893	(1,242,129,290,640)
V. Cash and cash equivalents at the beginning of the year		14,685,081,414,512	15,927,210,705,152
VI. Effects of changes in foreign exchange rates		-	-
VII. Cash and cash equivalents at the end of the year	VII.29	17,669,481,628,405	14,685,081,414,512

Ha Noi City, April 13, 2021

Prepared by

Accountant

Deputy CEO



NGUYEN HUU CUONG



NGUYEN THANH CONG



NGUYEN VAN TRONG

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND***I. Business highlights of credit institution****1. License for establishment and operation, validity term**

The State Bank of Vietnam ("SBV") issued Banking License No. 55/GP-NHNN on May 31, 2019 for establishment and operation of Vietnam - Asia Commercial Joint Stock Bank. This license replaced Banking License No. 12/NH-GP dated May 09, 2003 and Decision No. 440/QĐ/NHNN dated May 09, 2003 issued by SBV. The Bank has been operating for 99 years from May 9, 2003.

2. Structure of ownership: Joint -Stock.**3. The Bank's principal activities**

- Receiving demand deposits, term deposits, savings deposits and other types of deposits.
- Providing credit in the following forms:
 - + Loan;
 - + Discount, rediscount negotiable instruments and other valuable papers;
 - + Bank guarantee;
 - + Credit card issuance;
 - + Domestic factoring.
- Opening payment accounts for customers
- Providing domestic payment services:
 - + Supply of payment facilities;
 - + Providing check payment services, payment orders, payment orders, collection orders, collection orders, letters of credit, bank cards, collection and payment services.
- Open an account
 - + Opening an account at the State Bank of Vietnam;
 - + Opening accounts at other credit institutions and branches of foreign banks.
- Organize internal payment, join the national inter-bank payment system
- Cash management, banking and financial advisory services; services of managing, preserving assets, leasing safety cabinets and deposit boxes.
- Consulting on corporate finance, merger and acquisition, investment.
- Participate in bidding, buying and selling Treasury bills, negotiable instruments, Government bonds, State Bank bills and other valuable papers on the money market.
- Buying and selling government bonds, corporate bonds.
- Monetary brokerage service.
- Issuing deposit certificates, promissory notes, treasury bills and bonds to raise capital in accordance with the Law on Credit Institutions, the Law on Securities, the Government's regulations and the guidance of the State Bank of Vietnam.
- Borrowing capital from the State Bank in the form of refinancing in accordance with the Law on the State Bank of Vietnam and the guidance of the State Bank of Vietnam.
- Borrow, lend, deposit and receive deposits of credit institutions, foreign bank branches, domestic and foreign financial institutions in accordance with the laws and guidelines of the State Bank of Vietnam.
- Contributing capital, buying shares in accordance with the law and the guidance of the State Bank of Vietnam.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND*

- Entrusting, accepting trustees and acting as agents in banking-related activities, insurance business and asset management according to the provisions of law and the guidance of the State Bank of Vietnam.
- Trading and providing foreign exchange services on the domestic market and on the international market within the scope prescribed by the State Bank of Vietnam.
- Trading in buying and selling gold bars.
- Buying debt.
- Investing in government bond futures contracts.
- Electronic wallet.

4. Head office

No.34A-34B, Han Thuyen Street, Pham Dinh Ho Ward, Hai Ba Trung District, Ha Noi City, Vietnam.

Number of branches: 24 (twenty four)

5. Subsidiary

As at December 31, 2020, the Bank had one (01) directly owned company as follows:

<i>Company's name and address</i>	<i>Operation License</i>	<i>Principal activities</i>	<i>Chartered capital</i>	<i>Percentage of equity owned and voting rights</i>
Vietnam Asia Commercial Bank Asset Management One Member Limited Company	2764/QĐ-NHNN dated November 18, 2010	Debt Management And Asset Exploitation	500,000,000,000	100%

6. Total employees to Dec. 31, 2020: 1,443 persons (Dec. 31, 2019: 1,432 persons).**II. Annual accounting period, accounting and presentation currency****1. Annual accounting period:** is begun on January 01 and ended December 31 annually.**2. Accounting and presentation currency:** Vietnam Dong (VND).**III. Applicable Accounting Standards and Regimes****Disclosure of compliance with Vietnamese Accounting Standards (VAS) or prevailing regulations:**

The accompanying financial statements are prepared under the historical cost and in compliance with Vietnamese Accounting Standards, Vietnamese Accounting System applicable to Credit Institutions issued by SBV and relevant regulations applicable to Banks and other Credit Institutions operating in the Socialist Republic of Vietnam. Therefore, the accompanying financial statements are not intended to present the financial position, results of operations and cash flows of the Bank in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. The accounting principles and practices used in Socialist Republic of Vietnam may differ from practices in other countries.

Regimes and accounting system applied

The Bank applies Vietnamese Accounting System applicable to Credit Institutions under Decision No. 479/2004/QĐ-NHNN dated April 29, 2004, the Regime on financial statements applicable to credit institutions under Decision No. 16/2007/QĐ-NHNN dated April 18, 2007, Circular No. 10/2014/TT-NHNN dated March 20, 2014, Circular No. 49/2014/TT-NHNN dated December 31, 2014 and Circular No. 22/2017/TT-NHNN dated December 29, 2017 were issued by State Bank of Vietnam and relevant accounting standards.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND***IV. Applicable accounting policies****1. Principles for consolidating the financial statements:**

The consolidated financial statements include the financial statements of Vietnam - Asia Commercial Joint Stock Bank and its subsidiaries - Vietnam Asia Commercial Joint Stock Bank Asset Management One Member Limited Company (hereinafter referred to as "the Group") for the year ended December 31, 2020.

The subsidiary's financial statements are consolidated into the Bank's since the date of acquisition, when the Bank holds control over the subsidiary and no longer be consolidated since the Bank ceases its control right.

The financial statements of the subsidiary are prepared for the same accounting period as Vietnam - Asia Commercial Joint Stock Bank according to the accounting policies consistent with the accounting policies of the Bank. Adjustment entries have been made for any accounting policies that differ to ensure consistency between the subsidiary and the Bank.

All intra-group balances and amounts of revenues, income and expenses arising from intra-group transactions, including unrealized profits arising from internal transactions the "Group" is included in the value of the property is excluded altogether.

2. Translation currency

Transactions in trading foreign currencies/gold which arise during the period are converted at the actual exchange rates ruling as of the transaction dates.

Other transactions denominated in foreign currencies which arise during the period are converted at the spot bank transfer weighted average exchange rates ruling as of the transaction dates.

Closing balance of monetary items denominated in foreign currencies will be revaluated at the spot exchange rate ruling as of the balance sheet date if this rate is 1% lower than the average of the bid price and ask price on that date, or at the rate of the average of the bid price and ask price in the other case.

Foreign exchange differences, which arise from foreign currency transactions during the period and from the revaluation of ending balances of the monetary items in foreign currencies shall be included in the income statement.

Exchange rate at December 31, 2020:

23,085 VND/USD	223.78 VND/JPY	5,500,000 VND/1 THREAD
18,114 VND/CAD	17,782 VND/AUD	
28,411 VND/EUR	17,473 VND/SGD	
31,497 VND/GBP	26,216 VND/CHF	

3. Accounting for interest income, interest expenses and termination of interest accruals

The Group records interest income and interest expenses by accrued method. Interests on overdue loans are not recorded on accrual basis, but actual receipt. When a loan becomes overdue, the accrued interest will be recorded in the off-balance sheet. These interests will be recorded in the income statement once they are collected.

4. Fees and commissions income

Income from fee and commission including income from settlement service, treasury service, fee of guarantee, fee of providing brokerage service and other services. Income from fee of guarantee and providing brokerage service will be recorded by accrued method. Income from fee and commission from settlement service, treasury service and other service will be recorded when they are actually received.

5. Accounting for loans granted to customers, debts purchasing activities***Recognition and measurement of loans to customers***

Loans granted to customers are stated at the balance of loan (principal) less provision for loss.

Short-term loans are those with a repayment date within one year, medium-term loans are those with a final repayment date between one and five years and long-term loans are those with a repayment date of more than five years.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

Classifying loans and provision for credit losses

Principles for classifying loans and revaluating provision for credit risks are in compliance with Circular No. 02/2013/TT-NHNN dated January 21, 2013 issued by SBV, providing for classification of assets, level, method of making risk provisioning and use of provision to deal with risks in operation of credit institutions, foreign bank branches and Circular No. 09/2014/TT-NHNN dated March 18, 2014 issued by SBV amending and supplementing a number of articles of Circular No. 02.

The Bank implemented the classification of loans in accordance with the quantitative method as stipulated in Article 10 of Circular 02. Accordingly, loans to customers are classified according to level of risk as follows: Current debts, Special mentioned debts, Sub-standard debts, Doubtful debts and Bad debts based on overdue status and other qualitative determinants of the loans.

Where a customer owes more than one debt to the Bank, and has any of its debts transferred to a higher risk group of debts, the Bank is obliged to classify the remaining debts of such customer into the group of debts with higher risk corresponding with their level of risk.

Where the Bank participates in a syndicated loan not as the lead bank, the Bank reclassifies all debts (including the outstanding syndicated loan) of the customer into a higher risk group of debts as determined by the lead bank, participating banks and the Bank.

Provision for credit losses

Provision for credit losses includes specific provision and general provision.

Specific provision is made for the losses that may be incurred in respect of each specific debt, in proportion to each of the following:

Group	Debts classification	Percentage of specific provision
Group 1	Current debts	0%
Group 2	Special mentioned debts	5%
Group 3	Sub-standard debts	20%
Group 4	Doubtful debts	50%
Group 5	Bad debts	100%

Specific provision is calculated based on the loan balance for each customer classified as credit risk at the end of the quarter (in fourth quarter, specific provision is calculated based on the loan balance for each customer classified as credit risk at the last working day of November) minus the value of the collateral that has been discounted at the rates specified in Circular 02.

General provision is made at 0.75% of the outstanding balance of debts classified from group 1 to group 4, except for:

- Deposits (except deposit payment) at domestic credit institutions, branches of foreign banks in Vietnam in accordance with law and deposits at foreign credit institutions.
- Loans, purchasing term - valuable papers to credit institutions and other branches of foreign banks in Vietnam.

Handling credit risk

According to Circular 02, the Bank must establish Risk Management Council to decide on the use of reserves to handle risks in the following cases:

- Borrowers have been declared bankrupt or dissolved (for borrowers being organisations and enterprises) or borrowers are deceased or missing (for borrowers being individuals).
- Debts have been classified to Group 5.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND****Selling the loans to Vietnam Asset Management Company ("VAMC")***

The Bank sells debts to VAMC under Decree No. 53/2013/ND-CP dated May 18, 2013; Decree 34/2015/ND-CP of the Government dated March 31, 2015, amending and supplementing a number of articles of Decree 53; Circular 19/2013/TT-NHNN of the SBV dated September 06, 2013 providing for the purchase, sale and handling of non-performing loans by VAMC; and debts sold to VAMC are discharged from the balance sheet in accordance with the guidance in Official Letter No. 8499/NHNN-TCKT issued by the SBV dated November 14, 2013 providing guidance for accounting trading bad debts of VAMC and credit institutions, and Official Letter No. 925/NHNN-TCKT issued by the SBV dated February 19, 2014.

Special bonds issued by VAMC correspond to the bad debt that the Bank sells are recognized as held-to-maturity debt securities. After completing the procedures of selling, the Bank uses specific provisions that have not been used to account for the reduction of the bad debt value and written-off off-balance sheet accounts that tracking unrealized gain of that bad debt.

6. Accounting trading and investment securities**6.1. Held-for-trading securities**

Held-for-trading securities are securities acquired principally for the purpose of selling in the short-term or for the purpose of short-term profit-taking.

Principle for recording trading securities: Trading securities are initially recognized at cost of acquisition (original cost), including buying price (+) buying cost (if any). Subsequently, these securities are recognized at original cost less provision for impairment.

Gains or losses from trading securities are recognized in the income statement on net value.

Provision for impairments of held-for-trading securities shall be made when the net value realizable (market price) is lower than the book value.

For listed held-for-trading equity securities, the market price is the closing price of securities obtained from the Ho Chi Minh City Stock Exchange or from the Hanoi Stock Exchange at the reporting date.

For unlisted held-for-trading equity securities that have been registered on the unlisted public company market ("the UCom market"), the market price is the average prices obtained from the UCom market at the reporting date.

For unlisted held-for-trading equity securities and have not been registered on the UCom market but have been actively traded on the market, the market price is the average of the transaction prices quoted by three securities companies at the reporting date.

For listed trading debt securities, market prices are determined based on the rates of return listed on the Hanoi Stock Exchange (HNX) at the end of the fiscal year.

For securities not allowed actively traded on the market or where the market price of those securities cannot be determined reliably, no allowance is made and such securities are stated at cost.

Income earned while holding held-for-trading securities is recognized in the income statement based on cash basis.

6.2. Investment securities

Investment securities include available-for-sale securities and held-to-maturity securities.

Held-to-maturity securities

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

The unlisted corporate bonds held to maturity are recorded at original cost less provision for credit losses. The classification of debt and provision for credit losses of unlisted corporate bonds are carried out in accordance with the policy applicable to loans to customers as explained in item 5.

Other held-to-maturity securities are recorded at original cost less provision for impairment. Provision for impairment is made when the market price is lower than book value or signs of decline in value as assessed by the Board of Management.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND*

The additional value and the discounted value arising from the purchase of held-to-maturity securities are allocated to income statement of the Bank in accordance with the straight line method from buying date to maturity date.

Interest income on the purchase of held-to-maturity securities is recognized in income statement based on accruals basis.

Special bonds issued by VAMC

Special bonds issued by VAMC are valuable papers issued by VAMC to purchase the Bank's bad debts and recognized as held-to-maturity debt securities.

Special bonds are recorded at par value at the transaction date and subsequently measured at par value less the specific provision in the holding period.

Par value of the special bond is equal to the carrying value of bad debt sold net off specific allowance which was made but not yet utilised.

Periodically, the Bank shall determine and make provision for impairment of those special bonds in accordance with the regulations stipulated in Decree No. 53/2013/ND-CP dated May 18, 2013 of the Government and Circular No. 19/2013/TT-NHNN dated September 06, 2013 of SBV. Accordingly, from year 2015 backwards, the Bank has made provision for special bonds into operating expenses, minimum equivalent to 20% of par value of each special bond. According to Official Letter No. 895/NHNN.TTGSNH.m dated September 10, 2015 and Official Letter No. 1045/NHNN-TTGSNH.m dated December 29, 2016, the SBV allowed the Bank to make provision for losses for special bonds for a period of 10 years, and does not apply retroactively.

Banks do not have to make general provision for special bonds.

Upon receiving back the debt sold to VAMC, the bank uses specific provisions that have been deducted annually for special bonds to handle bad debt. The difference between the provision that has been appropriated and the uncollected principal will be reversed and recorded in income statement.

Available-for-sale securities

Available-for-sale securities are debt securities or equity securities held for an indefinite period of time that can be sold at any time.

- Equity Securities

Equity securities are recorded at historical cost less provision for impairment of securities.

Provision for diminution in value of investment securities is made when net realizable value (market value) is lower than the book value. Provision for available-for-sale equity securities is similar to trading securities as disclosed in Note 5.1.

Gains or losses from available-for-sale securities are recognized in the income statement on net value. Interest income after the purchase of held-to-maturity securities is recorded in the statement of income on an accruals basis. Interest earned before the Bank's holding is deducted from the original cost at the time of acquisition.

- Debts Securities

The unlisted available-for-sale corporate bonds are recorded at original cost less provision for credit losses. The classification of debt and provision for credit losses of unlisted corporate bonds are carried out in accordance with the policy applicable to loans to customers as explained in item 5.

For listed debt securities, market prices are determined based on the rates of return listed on the Hanoi Stock Exchange (HNX) at the end of the fiscal year.

The overhead value and the discount value arising from the acquisition of available-for-sale securities are amortized to the income statement on a straight-line basis from the date of acquisition to the maturity date of that stock. If the securities are sold before the maturity date, the unamortized discount value and the overhead value are fully recorded in the statement of income at selling date.

Gain from available-for-sale securities is recorded in the income statement on accrual basis.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND***7. Capital contribution, long-term investments****7.1. Accounting other long-term investments**

Other long-term investments are investments at a rate lower than or equal to 11% of the equity of the economic organizations in which the Bank is a founding shareholder, or the strategic partner or the most determine dominant the process of establishing and deciding the financial and operating policies of the business through agreements on the assignment of members of the Board of Directors. Long-term investments are initially recorded at historical cost method.

7.2. Provision for decline in the value of long-term investments

Provision for loss of long-term financial investments is made when the Bank recognizes that economic institutions it invests in suffer from loss (except for the loss as planned in the business plan) as stipulated in Circular 48/2019/TT-BTC dated August 08, 2019 issued by the Ministry of Finance. Accordingly, the amount of provision for loss of long-term financial investments is the difference between the actual contributed capital of the parties in the economic institution and the real owner's equity multiplied by (x) at ratio of the invested capital of the Bank and the actual contributed capital in the economic institution.

8. Accounting for tangible fixed assets

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises all expenditures of bringing the asset to its working condition and location for its intended use. The expenditures incurred beyond their originally assessed standard of performance are capitalised as an additional cost of tangible fixed assets when they have resulted in an increase in the future economic benefits expected to be obtained from the use of those tangible fixed assets. The expenditures which do not meet the above conditions are charged to the expenses in the year.

When the assets are sold or disposed, their original costs and the accumulated depreciation which have been written off and any gain or loss from disposal of assets are recorded in the income statement in period.

Determination of original costs of tangible fixed assets:

Tangible fixed assets purchased

The original cost of purchased tangible fixed assets shall consist of the actual purchase price less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation such as fees for installation and trial operation of fixed assets; specialists and other direct costs.

The original cost of a tangible fixed asset formed from capital construction under the mode of tendering shall be the finalisation price of the construction project, other relevant fees plus (+) registration fee (if any).

Fixed assets which are buildings, structures attached to land use right, the value of land use right is computed separately and recorded as intangible fixed assets.

Tangible fixed assets constructed or produced by the Group itself.

The original cost of a tangible fixed asset which is constructed or produced by the Company itself shall include the actual production cost of the fixed asset plus (+) expenses for installation and trial operation. In case where the Company transfers its self-produced products to fixed assets, the original costs will be the production costs plus (+) other relevant expenses calculated to the time when such fixed asset is put into operation. In such case, all internal gains will not be recorded in the original costs of those fixed assets.

Tangible fixed assets purchased in the form of an exchange:

The original cost of a tangible fixed asset purchased in the form of exchange for a dissimilar tangible fixed asset or other assets shall be determined according to the reasonable value of the received tangible fixed assets, or that of the exchanged ones, after adjusting the cash amounts or cash equivalents which are additionally paid or received.

The original cost of a tangible fixed asset purchased in the form of exchange for similar one, or possibly formed through its sale in exchange for the right to own similar ones. In both cases no profit or loss is recognized in the exchange process.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND**Tangible fixed assets augmented from other sources:*

The original cost of a tangible fixed asset which is donated or presented shall be initially recognized according to the initial reasonable value. Where it is not recognized according to the initial reasonable value, the enterprises may recognize it according to the nominal value plus (+) the expenditures directly related to the putting of the assets into the ready-for-use state.

9. Principles for recording intangible fixed assets:

Intangible fixed assets are stated at cost less accumulated amortization. The original cost of a intangible fixed asset comprises all costs of owning the asset to the date it is put into operation as expected.

Determination of original costs of intangible fixed assets:

Purchase of separate intangible fixed assets

The original cost of purchased intangible fixed assets shall consist of the actual purchase price payable less (-) trade discounts or reduction plus (+) taxes (excluding taxes to be refunded) and relevant expenses calculated to the time when such fixed assets are put into operation. The land use rights which are purchased together with buildings, structures will be determined separately and recorded as intangible fixed assets.

Land use right

The original cost of an intangible fixed asset which is the land use right shall be the payment made to obtain the lawful land use right plus (+) compensatory payments for clearance of site, expenses for leveling the ground, registration fee...

Computer software

The original cost of a in tangible fixed asset which is the computer software shall be the total of actual expenses incurred by the Bank to obtain the computer software.

10. Method of depreciating and amortizing fixed assets

Depreciation is charged to write off the cost of fixed assets on a straight line basis over their estimated useful lives. Useful life means the duration in which the tangible fixed assets produce their effect on production and business.

The estimated useful life for assets is as follows:

<i>Buildings and structures</i>	<i>25 - 50 years</i>
<i>Machinery and equipment</i>	<i>3 - 8 years</i>
<i>Transportation and facilities</i>	<i>6 - 7 years</i>
<i>Accounting software</i>	<i>3 - 5 years</i>
<i>Other assets</i>	<i>4 - 25 years</i>

Land use rights which are granted for a definite term are amortized in conformity with the term stated in the certificate of land use right.

Land use rights which are granted for an indefinite term are carried at cost and not amortised.

11. Accounting for leasing asset transactions

Operating leases: Leases where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the income statement on a straight-line basis over the period of the lease.

12. Cash and cash equivalents

In the statement of cash flows: cash and cash equivalents includes cash, payment deposits at the State Bank of Vietnam, demand deposits and deposits with the term of less than 90 days since deposit date at other credit institutions, government bond and other short-term valuable paper qualified to be discounted, securities with recoverable or maturity term of less than 3 months since purchase date, having the ability to convert into a certain amount of money, not having much risk of value changes, and held for the purpose of meeting short-term payment commitments rather than for investments or other purposes.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND***13. Provisions**

Provisions are recorded when: the Bank has present obligations as a result of past events; It is probable that an outflow of resources will be required to settle the obligation; The obligation is estimated reliably; Provision is not recorded for the operating loss in the future.

When there are similar obligations, the possibility of outflow of resources due to the settlement of obligations is determined by considering the whole group in general. Provision will be made through the outflow due to obligation settlement is very small.

Provision is calculated at present value of estimated expenses for settling debts at the discount interest rate before tax and reflects the assessment based on present market of the market price of currency and specific risk of those debts. The increase of provision throughout time will be recorded as interest expense.

14. Principles and methods of recording corporate income tax expense - current, corporate income tax expense - deferred:

Corporate income tax includes current corporate income tax and deferred corporate income tax incurred in the year and set basis for determining operating result after tax in current fiscal year.

Current tax: is the tax payable (or recoverable) on the taxable income and tax rate enacted in current year in accordance with the law on corporate income tax.

Deferred tax: is provided for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred income tax liability is provided for all temporary differences, deferred income tax asset is only provided when there is enough taxable profit in the future for deducting the temporary differences.

The carrying amount of deferred tax assets must be reassessed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of that deferred tax assets to be utilized. The unrecognized deferred tax assets will be reassessed at each balance sheet date and recognized to the extent that it has become probable future taxable profit will allow the deferred tax asset to be utilized.

Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred income tax assets and deferred income tax liabilities are offset when the Bank has the legal right to offset current income tax assets against current income tax liabilities and the deferred income tax assets and deferred income tax liabilities are relevant to corporate income tax which is under the management of one tax authority of the same subject to corporate income tax and the Bank has intention to pay current income tax liabilities and current income tax assets on a net basis.

The tax amounts payable to the State budget will be finalized with the tax office. Differences between the tax amounts payable specified in the book and the tax amounts under finalization will be adjusted when the tax finalization has been issued by the tax office.

15. Accounting for borrowing, issuance of debt securities, equity instruments

Principles for recording borrowing costs: Borrowing costs are loan interest and other costs incurred in direct relation to borrowings of an enterprise; Borrowing costs are recognised as an expense in the year in which they are incurred, except where the borrowing costs related to borrowings in respect of the construction or production of uncompleted assets, in which case the borrowing costs incurred during the period of construction are computed in those assets' value (capitalised) as part of the cost of the assets concerned when they satisfy conditions stipulated in the VAS No. 16 "Borrowing costs".

Capitalized rate: In case of joint capital borrowings, which are used for the purpose of investment in construction or production of an uncompleted asset, the borrowing costs eligible for capitalization in each accounting period shall be determined according to the capitalization rate for weighted average accumulated costs incurred to the investment in construction or production of such asset. The capitalization rate shall be calculated according to the weighted average interest rate applicable to the enterprises borrowings unrepaid in the period, except for particular borrowings for purpose of obtaining an uncompleted asset. The amount of borrowing costs capitalized during a period must not exceed the amount of borrowing costs arising during that period.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND***16. Owners' equity**

The owners' equity is the amount that is initially contributed or supplemented by shareholders, supplemented from profit after tax in accordance with the resolution of the General Meeting of Shareholders or in accordance with the Charter of the Bank's operation. The owners' equity will be recorded at the actual contributed capital by cash or assets calculated according to the par value of issued shares in the early establishment period or additional mobilization to expand Bank's operation.

Share premium is the difference between the cost over and above the nominal value of the first issued, additionally issued share or reissued treasury share. In case where shares are bought to cancel immediately at the purchase date, shares' value for business capital written down at purchase date is the actual repurchase price and the business resource should be written down in details according to the par value and share premium of the repurchased shares.

Other owners' capital: Business resource which is added from the operating result, assets revaluation and residual value of the fair value of the offered, sponsored assets after deducting taxes payable (if any) related to these assets.

Principles for recognising undistributed profit:

Principle for recognising undistributed profit: the undistributed profit is recorded as the profit (loss) from the Bank's result of operation after deducting the current year corporate income tax and the adjusted items due to the retroactive application of changes in accounting policy and adjustments for material misstatement of the previous year.

The distribution of profit and allocation of funds is based on the charter of the Bank and report to the Board of Directors that adopted by General Meeting of Shareholders annually.

17. Entrusted operations at the risk of credit institutions

The Bank carries out entrusting activities for investment, lending,... on behalf of individuals, economic organizations or other credit institutions.

The value of investment capital by entrusted and trust funds is recognized when the trust contract has been entered into and the trust fund has been executed. The rights and obligations of the trustee and the entrustor with respect to profit, distribution of profits, entrustment fees and other rights and obligations stipulated in the entrustment contract.

Entrusted operations of the Bank are including:

Entrusted operations of the Bank is not at risk

Assets held for the purpose of entrusted trust management, trusteeship and lending are not considered assets of the Bank and therefore not included in the Bank's financial statements.

Entrusted operations of the Bank is at risk

The bank performs entrusted lending activities to re-lend to customers. The Bank recognizes outstanding loans from entrusted funds to loans to customers. The accounting policy for re-lending to customers is in accordance with the regulations of the SBV, as mentioned in explanatory note No. 5.

18. Related parties

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the Bank. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Bank that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Bank and close members of the family of these individuals and companies associated with these individuals also constitute related parties. In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

19. Principles for recording earnings per share

Basic earnings per share is calculated by dividing net income available to common shareholders after appropriating to Bonus and Welfare Fund by the weighted-average number of common shares outstanding during the period.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

V. Additional information for items presented in the Consolidated Balance Sheet

1. Cash, gold, silver, gemstones

	Dec. 31, 2020	Jan. 01, 2020
Cash in VND	224,028,184,300	205,799,369,700
Cash in foreign currencies	34,017,738,395	37,922,743,576
Monetary gold	37,700,190,000	22,753,836,000
Total	295,746,112,695	266,475,949,276

2. Balances with the State Bank of Vietnam

	Dec. 31, 2020	Jan. 01, 2020
Payment deposits at the SBV	2,200,651,682,348	2,941,222,700,590
VND	2,176,026,570,497	2,924,090,052,400
Gold and Foreign currencies	24,625,111,851	17,132,648,190
Total	2,200,651,682,348	2,941,222,700,590

3. Cash at other credit institutions and loans granted to other credit institutions

Deposits at other institutions

	Dec. 31, 2020	Jan. 01, 2020
Demand deposits	399,791,833,362	8,625,265,264,646
VND	100,900,527,014	7,962,512,581,096
Foreign currencies	298,891,306,348	662,752,683,550
Term deposits	14,823,292,000,000	3,002,117,500,000
VND (*)	11,868,412,000,000	1,901,400,000,000
Foreign currencies(**)	2,954,880,000,000	1,100,717,500,000
Total	15,223,083,833,362	11,627,382,764,646

(*) Details of VND term deposits at credit institutions are as follows:

	Amount	Maturity date
Southeast Asia Commercial Joint Stock Bank	500,000,000,000	January 14, 2021
Southeast Asia Commercial Joint Stock Bank	500,000,000,000	January 15, 2021
Southeast Asia Commercial Joint Stock Bank	500,000,000,000	January 18, 2021
Southeast Asia Commercial Joint Stock Bank	500,000,000,000	January 19, 2021
Nam A Commercial Joint Stock Bank	100,000,000,000	January 4, 2021
Nam A Commercial Joint Stock Bank	50,000,000,000	January 11, 2021
National Citizen Commercial Joint Stock Bank	579,550,000,000	January 11, 2021
National Citizen Commercial Joint Stock Bank	510,004,000,000	January 12, 2021
National Citizen Commercial Joint Stock Bank	440,458,000,000	January 13, 2021
Saigon Hanoi Commercial Joint Stock Bank	500,000,000,000	January 5, 2021
Saigon Hanoi Commercial Joint Stock Bank	500,000,000,000	January 8, 2021
Saigon Hanoi Commercial Joint Stock Bank	500,000,000,000	January 21, 2021
Saigon Hanoi Commercial Joint Stock Bank	500,000,000,000	January 25, 2021

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

(*) Details of VND term deposits at credit institutions are as follows (cont.):

	Amount	Maturity date
Vietnam Public Joint Stock Commercial Bank	1,000,000,000,000	January 5, 2021
Sai Gon Joint Stock Commercial Bank	100,000,000,000	January 11, 2021
Joint Stock Commercial Bank for Foreign Trade of Vietnam	500,000,000,000	January 4, 2021
Joint Stock Commercial Bank for Foreign Trade of Vietnam	500,000,000,000	January 7, 2021
Joint Stock Commercial Bank for Foreign Trade of Vietnam	500,000,000,000	January 8, 2021
Joint Stock Commercial Bank for Foreign Trade of Vietnam	500,000,000,000	January 12, 2021
Vietnam Joint Stock Commercial Bank for Industry and Trade	200,000,000,000	January 7, 2021
Vietnam Joint Stock Commercial Bank for Industry and Trade	100,000,000,000	January 11, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	160,000,000,000	January 4, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	100,000,000,000	January 7, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	116,000,000,000	January 14, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	116,000,000,000	January 15, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	46,400,000,000	January 18, 2021
EVN Finance Joint Stock Company	500,000,000,000	January 4, 2021
EVN Finance Joint Stock Company	500,000,000,000	January 5, 2021
EVN Finance Joint Stock Company	400,000,000,000	January 6, 2021
EVN Finance Joint Stock Company	500,000,000,000	January 7, 2021
EVN Finance Joint Stock Company	200,000,000,000	January 11, 2021
Vietcredit Finance Joint Stock Company	100,000,000,000	January 27, 2021
Vietcredit Finance Joint Stock Company	50,000,000,000	February 1, 2021
Total	11,868,412,000,000	

(**) Details of USD term deposits at credit institutions are as follows:

	Amount (USD)	Converted to VND	Maturity date
Tien Phong Commercial Joint Stock Bank	15,000,000.00	346,275,000,000	January 6, 2021
Southeast Asia Commercial Joint Stock Bank	5,000,000.00	115,425,000,000	January 4, 2021
Southeast Asia Commercial Joint Stock Bank	7,000,000.00	161,595,000,000	January 6, 2021
National Citizen Commercial Joint Stock Bank	25,000,000.00	577,125,000,000	January 11, 2021
National Citizen Commercial Joint Stock Bank	22,000,000.00	507,870,000,000	January 12, 2021
National Citizen Commercial Joint Stock Bank	19,000,000.00	438,615,000,000	January 13, 2021
Vietnam Joint Stock Commercial Bank for Industry and Trade	6,000,000.00	138,510,000,000	January 4, 2021
Vietnam Joint Stock Commercial Bank for Industry and Trade	9,000,000.00	207,765,000,000	January 6, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	5,000,000.00	115,425,000,000	January 14, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	5,000,000.00	115,425,000,000	January 15, 2021
Vietnam Thuong Tin Commercial Joint Stock Bank	2,000,000.00	46,170,000,000	January 18, 2021
Vietnam International Commercial Joint Stock Bank	8,000,000.00	184,680,000,000	January 5, 2021
Total		2,954,880,000,000	

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

4. Derivative financial instruments and other financial assets

	Total value of the contract (according to the exchange rate at the effective date)	Total book value (according to the exchange rate at the reporting date)	
		Assets	Liabilities
As at December 31, 2020		5,554,449,516	-
+ Monetary derivative financial instruments		5,554,449,516	-
- Currency forward transaction	769,052,534,429	2,381,309,516	-
- Currency swap transaction	2,476,554,380,000	3,173,140,000	-
As at January 01, 2020			
+ Monetary derivative financial instruments		49,127,120,000	-
- Currency forward transaction	1,160,100,000,000	-	-
- Currency swap transaction	11,287,926,364,428	49,127,120,000	-

5. Loans granted to customers

5.1 Loans granted to customers

	Dec. 31, 2020	Jan. 01, 2020
Loans granted to local economic institutions, individuals	48,333,861,951,277	42,578,902,281,124
Commercial paper discount and valuable documents	44,681,017,500	44,851,341,500
Total	48,378,542,968,777	42,623,753,622,624
- Analysis by loan quality		
	Dec. 31, 2020	Jan. 01, 2020
Current debts	46,238,093,559,099	41,919,816,076,720
Special mentioned debts	1,028,608,227,687	199,234,669,113
Sub-standard debts	148,559,266,976	86,548,858,120
Doubtful debts	507,116,969,257	46,653,079,178
Bad debts	456,164,945,758	371,500,939,493
Total	48,378,542,968,777	42,623,753,622,624
- Analysis by loan term		
	Dec. 31, 2020	Jan. 01, 2020
Short-term	30,705,515,694,548	25,112,419,787,458
Medium	11,252,340,560,021	8,987,729,422,651
Long-term	6,420,686,714,208	8,523,604,412,515
Total	48,378,542,968,777	42,623,753,622,624

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

- Analysis by type of customer and form of business

	Dec. 31, 2020	Jan. 01, 2020
State-owned company	-	-
Limited liability company	28,133,950,155,947	22,885,422,375,052
Joint-stock company	15,959,742,813,440	15,885,515,459,445
Individuals and others	4,284,849,999,390	3,852,815,788,127
Total	48,378,542,968,777	42,623,753,622,624

- Analysis by industry

	Dec. 31, 2020	Jan. 01, 2020
Construction	7,588,857,933,697	8,278,046,009,873
Trade, production and processing	16,470,538,043,035	14,169,570,876,097
Warehousing, transportation and communications	167,180,977,872	92,713,413,523
Agriculture and forestry	74,103,890,876	198,528,142,203
Individuals and others	24,077,862,123,297	19,884,895,180,928
Total	48,378,542,968,777	42,623,753,622,624

5.2 Movements (increase/decrease) in provision for loan losses

Current year

	General provision	Specific provision
Opening balance as at January 01, 2020	314,308,503,479	151,408,803,429
Provisions made (reversed)	34,650,481,381	106,683,577,627
Use of provision for credit loss in the year	-	(36,513,946,560)
Closing balance as at December 31, 2020	348,958,984,860	221,578,434,496

Prior year

	General provision	Specific provision
Opening balance as at January 01, 2019	267,945,149,789	125,698,164,691
Provisions made (reversed)	46,363,353,690	31,284,760,117
Use of provision for credit loss in the year	-	(5,574,121,379)
Closing balance as at December 31, 2019	314,308,503,479	151,408,803,429

Details of provisions

	Dec. 31, 2020	Jan. 01, 2020
Provisions for credit losses of loans and advances to customers	570,537,419,356	465,717,306,908
+ General provision	348,958,984,860	314,308,503,479
+ Specific provision	221,578,434,496	151,408,803,429
Total	570,537,419,356	465,717,306,908

6. Debts purchasing activities

	Dec. 31, 2020	Jan. 01, 2020
- Purchased debts in VND	-	1,518,946,560
Total	-	1,518,946,560

Value of principal and interests of purchased debts as follows:

	Dec. 31, 2020	Jan. 01, 2020
- Principal of purchased debts	-	1,518,946,560
Total	-	1,518,946,560

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

7. Investment securities

7.1. Available-for-sale securities

	Dec. 31, 2020	Jan. 01, 2020
a. Debt securities	11,142,047,200,086	10,144,304,090,387
- Government Securities, local government securities	11,142,047,200,086	6,760,935,292,225
- Debt securities issued by domestic credit institutions entities	-	3,383,368,798,162
b. Equity securities	74,074,961,726	74,074,961,726
- Equity securities issued by domestic economic organizations	74,074,961,726	74,074,961,726
c. Allowance for available-for-sale securities	(16,170,783,538)	(15,777,023,538)
In which: - Provision for impairment	(16,170,783,538)	(15,777,023,538)
Total	11,199,951,378,274	10,202,602,028,575

7.2. Held-to-maturity securities

(excluding special bonds issued by VAMC)

	Dec. 31, 2020	Jan. 01, 2020
- Debt securities issued by domestic credit institutions entities(*)	1,199,999,287,624	1,450,954,141,311
- Debt securities issued by domestic economic entities (**)	-	291,000,000,000
Total	1,199,999,287,624	1,741,954,141,311

(*) Investments in bonds by credit institutions as following:

Issuers	Maturity date	Interest rate	Type of bonds	Value of investment
National Citizen Commercial Joint Stock Bank	February 9, 2026	8.60%	Bonds	450,000,000,000
Military Commercial Joint Stock Bank	December 25, 2023	8.20%	Bonds	500,000,000,000
Vietcredit Finance Joint Stock Company	March 9, 2021	10.20%	Certificate of Deposit	149,999,287,624
Saigon Hanoi Commercial Joint Stock Bank	May 27, 2021	6.60%	Certificate of Deposit	100,000,000,000
Total				1,199,999,287,624

7.3. Special bonds issued by VAMC

	Dec. 31, 2020	Jan. 01, 2020
- Special bonds' par value	-	2,320,843,137,508
- Provision for special bonds	-	(822,960,951,236)
Total	-	1,497,882,186,272

8. Capital contribution, long-term investments

	Dec. 31, 2020	Jan. 01, 2020
Investment in subsidiary	-	-
Other long-term investments	113,873,630,000	313,373,630,000
Total	113,873,630,000	313,373,630,000

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

8. Capital contribution, long-term investments (cont.)

Name	Dec. 31, 2020			Jan. 01, 2020		
	Original cost	Current value	Shareholding (%)	Original cost	Current value	Shareholding (%)
Investments in equity of other entities	113,873,630,000	113,873,630,000		313,373,630,000	313,373,630,000	
<i>Hung Vuong Insurance Joint Stock Company (1)</i>	33,000,000,000	33,000,000,000	11.00%	33,000,000,000	33,000,000,000	11.00%
<i>Son Tra Joint Stock Company</i>	-	-	0.00%	49,500,000,000	49,500,000,000	8.25%
<i>Yenbai VPG Mineral Joint Stock Company (2)</i>	41,850,000,000	41,850,000,000	10.92%	41,850,000,000	41,850,000,000	10.92%
<i>Vinh Hoa Mineral Water Joint Stock Company (3)</i>	15,565,380,000	15,565,380,000	4.23%	15,565,380,000	15,565,380,000	4.23%
<i>Saigon Technologies, Inc.</i>	8,867,910,000	8,867,910,000	6.50%	8,867,910,000	8,867,910,000	6.50%
<i>Saigon Engineering Construction Investment Corporation (ECISAIGON) (4)</i>	10,183,620,000	10,183,620,000	11.00%	10,183,620,000	10,183,620,000	11.00%
<i>National Payment Corporation of Vietnam (Napay)</i>	2,000,000,000	2,000,000,000	0.83%	2,000,000,000	2,000,000,000	0.83%
<i>International Trading Joint Stock Company</i>	904,720,000	904,720,000	10.00%	904,720,000	904,720,000	10.00%
<i>Saigon Jewelry Joint Stock Company</i>	672,000,000	672,000,000	8.00%	672,000,000	672,000,000	8.00%
<i>The Ho Chi Minh City Credit Guarantee Fund For Small - Medium Enterprises</i>	500,000,000	500,000,000	0.22%	500,000,000	500,000,000	0.22%
<i>LCL, JSC</i>	330,000,000	330,000,000	0.11%	330,000,000	330,000,000	0.11%
<i>Petalimex Group Commercial Joint Stock Bank (PG Bank)</i>	-	-	0.00%	130,000,000,000	130,000,000,000	4.16%
Provision for decline in the value of long-term investments	-	-	-	-	-	-
Total	113,873,630,000	113,873,630,000		313,373,630,000	313,373,630,000	

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

8. Capital contribution, long-term investments (cont.)

*- Summary of operating status of other long-term investments:**(1) Hung Vuong Insurance Joint Stock Company*

Hung Vuong Insurance Joint Stock Company was established on May 19, 2008 and has operated under a Certificate of standards and conditions for operating insurance No. 50 GP/KDBH issued by Ministry of Finance. Vietabank invested in this company by owning 11% of charter capital, equivalent to 33 billion VND. The company operates stably and distributes annual dividends to shareholders

(2) Yenbai VPG Mineral Joint Stock Company

Yenbai VPG Mineral Joint Stock Company (YVG) was transformed from a State-Owned Company since 2001. YVG is principally engaged in mining, quarrying and processing minerals, with main products being ceramic, graphite and white marble. Vietabank invested in YVG by owning 10.92% of charter capital, equivalent to 9.3 billion VND. The company operates stably and distributes annual dividends to shareholders

(3) Vinh Hao Mineral Water Joint Stock Company

In 1995, Vinh Hao Mineral Water Joint Stock Company was established by 02 shareholders, the People's Committee of Binh Thuan Province and Sai Gon Finance JSC (currently is Vietabank), under Business license No. 000965GP/TLDN-03 dated January 14, 1995 issued by the People's Committee of Binh Thuan Province. Vietabank invested in this company by owning 4.23% of charter capital, equivalent to 5,535,970,000 VND. The company operates in a stable and profitable business.

(4) Saigon Engineering Construction Investment Corporation (ECI SAIGON)

Saigon Engineering Construction Investment Corporation (ECI SAIGON), formerly Industry Construction Company (SA&E) and Construction 7 (SA&E7) which was established on April 1976, and then was transformed on February 12, 2004 operating under Business Registration Certificate No. 4103002097 issued by HCMC Department of Planning and Investment. Vietabank invested in ECI Saigon by owning 11% of charter capital, equivalent to 9.46 billion VND. The company operates in a stable and profitable business.

As at December 31, 2020, the bank has not determined the fair value of long-term investment in unlisted companies to disclose in the financial statements because there is no listed price in the market and Vietnamese Accounting Standards and no guidance on how to calculate fair value in the Vietnamese Accounting System for Credit Institutions stipulated by the State Bank of Vietnam. Therefore, the bank presents the above investments' fair value at their original cost.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

9. Tangible fixed assets

- Increase/decrease of tangible fixed assets in this year:

Items	Buildings & structures	Machinery & equipment	Transportation & facilities	Others	Total
Original cost					
Opening balance	86,118,057,874	143,582,616,937	74,166,502,768	5,674,538,893	309,541,716,472
- New purchases	-	292,492,455	1,279,213,072	5,770,168,100	7,341,873,627
- Disposal, sale	(43,635,000)	(20,741,682,045)	(514,587,475)	(418,205,035)	(21,718,109,555)
Closing balance	86,074,422,874	123,133,427,347	74,931,128,365	11,026,501,958	295,165,480,544
Accumulated depreciation					
Opening balance	37,232,860,081	131,303,339,345	58,035,601,001	2,525,320,783	229,097,121,210
- Charge for the year	2,845,866,512	6,145,657,993	4,896,023,840	1,125,424,332	15,012,972,677
- Disposal, sale	(43,635,000)	(20,741,682,045)	(514,587,475)	(418,205,035)	(21,718,109,555)
Closing balance	40,035,091,593	116,707,315,293	62,417,037,366	3,232,540,080	222,391,984,332
Net book value					
As at beginning of the year	48,885,197,793	12,279,277,592	16,130,901,767	3,149,218,110	80,444,595,262
As at the end of the year	46,039,331,281	6,426,112,054	12,514,090,999	7,793,961,878	72,773,496,212

* Ending original costs of tangible fixed assets-fully depreciated but still in use: VND 170,016,564,090

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

10. Intangible fixed assets

- Increase/decrease of intangible fixed assets in this year:

Items	Land use rights which are indefinite term	Computer software	Others	Total
Original cost				
Opening balance	112,001,521,341	98,184,437,214	6,131,235,385	216,317,193,940
- New purchases	-	18,933,534,500	6,367,714,600	25,301,249,100
- Disposal, sale	-	(4,064,975,065)	(2,665,754,722)	(6,730,729,787)
Closing balance	112,001,521,341	113,052,996,649	9,833,195,263	234,887,713,253
Accumulated depreciation				
Opening balance	-	94,552,815,012	5,691,235,385	100,244,050,397
- Charge for the year	-	4,968,956,398	1,454,025,551	6,422,981,949
- Disposal, sale	-	(4,064,975,065)	(2,665,754,722)	(6,730,729,787)
Closing balance	-	95,456,796,345	4,479,506,214	99,936,302,559
Net book value				
As at beginning of the year	112,001,521,341	3,631,622,202	440,000,000	116,073,143,543
As at the end of the year	112,001,521,341	17,596,200,304	5,353,689,049	134,951,410,694

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

11. Other assets

	Dec. 31, 2020	Jan. 01, 2020
1. Capital construction in progress	977,134,500	5,789,410,750
2. Receivables	3,062,825,445,785	1,192,589,421,263
3. Accrued interest and fees receivable	3,453,802,454,335	3,111,601,728,533
4. Other assets	1,806,636,861,715	1,187,355,016,508
5. Allowance for other assets	(49,482,873,020)	(49,700,000,000)
Total	8,274,759,023,315	5,447,635,577,054

11.1 Capital construction in progress

	Dec. 31, 2020	Jan. 01, 2020
In which: Great construction:		
+ Internal credit rating system	977,134,500	977,134,500
+ Management Software The Way 4	-	3,622,276,250
+ Specialized cars	-	1,190,000,000
Total	977,134,500	5,789,410,750

11.2 Receivables

	Dec. 31, 2020	Jan. 01, 2020
- External receivables	3,062,825,445,785	1,192,589,421,263
+ Capital contribute for Business Cooperation Contract (*)	170,000,000,000	200,000,000,000
+ Advance for Business Cooperation Contract (**)	250,000,000,000	250,000,000,000
+ Advances for court fees	6,768,511,832	7,243,863,330
+ Advances to staff	14,404,755,632	13,138,180,274
+ Deposit for guaranteeing contract (CASA)	17,158,334,575	13,208,494,135
+ Deposit for the headquarters rental	11,720,415,060	11,441,215,060
+ Deductible VAT	12,538,002,523	-
+ Receivable from supporting interest	901,829,156	901,829,156
+ Taxes and other receivables from the State Budget (VAB)	-	1,999,801,545
+ Taxes and other receivables from the State Budget (AMC)	-	718,936,937
+ Receivable from Huy Hoang Mineral JSC	2,200,000,000	2,200,000,000
+ Deposit for real estate purchasing contract	142,828,730,200	143,328,730,200
+ Deposit for real estate purchasing contract Phu My Phuong Company	42,105,780,000	42,105,780,000
+ Receivable from Hanoi MHD JSC	-	25,000,000,000
+ Receivable from NHT Real Estate Development and Investment JSC (regarding to the debt sale/purchase contract of Asia Smart Technology Co., Ltd)	30,000,000	188,530,000,000
+ Receivable from Truong Thanh Furniture Corporation	-	9,106,634,509
+ Receivable from customers	12,381,077,523	11,552,337,419
+ Receivables awaiting settlement regarding to affairs at Dong Do transaction office (***)	232,581,174,274	232,581,174,274
+ CMC Technology and Solution Co., Ltd	2,731,806,000	-
+ FPT Securities JSC (FPTS) (****)	420,000,000,000	-
+ LT Construction, Trading and Services Co., Ltd (regarding to the debt sale/purchase contract of Bao Ngoc Quynh Trang Investment and Construction Co., Ltd)	131,161,452,329	-
+ LT Construction, Trading and Services Co., Ltd (regarding to the debt sale/purchase contract of HPA Vietnam Investment and Construction JSC)	361,000,000,000	-

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

11.2 Receivables (cont.)	Dec. 31, 2020	Jan. 01, 2020
+ Viet Nam New Energy and Technology Development Investment JSC (regarding to the debt sale/purchase contract of WSW Power Management and Development Co., Ltd)	436,783,987,802	-
+ Viet Nam New Energy and Technology Development Investment JSC (regarding to the debt sale/purchase contract of Hoang Hiep Thang Long Construction and Investment Co., Ltd)	593,085,000,000	-
+ Mr. Nguyen Minh Trong (regarding to the debt sale/purchase contract of Thanh Loi Agricultural High Technology JSC)	50,000,000,000	-
+ Song Da Urban & Industrial Zone Investment and Development JSC (Leasing contract between Sudico Song Da - My Dinh)	75,190,307,400	-
+ Vietnam Joint Stock Commercial Bank for Industry and Trade (UPAS)	1,198,903,624	-
+ SV Investment Group Joint Stock Company (UPAS)	2,725,357,388	-
+ National Payment Corporation of Vietnam (Napac)	52,504,079,561	33,559,452,711
+ Others	20,825,938,906	5,972,991,713
Total	3,062,825,445,785	1,192,589,421,263

(*) Capital contribute for Business Cooperation Contract between Vietnam Asia Commercial Bank Asset Management One Member Limited Company ("AMC") and International Trading Development and Financial Investment JSC ("Investco") to implement projects of restaurants, hotels, commercial centers, apartments and offices for rent at 166 Truong Chinh, Dong Da District, Hanoi. Total investment capital is VND 924.7 billion, in which, each party contribute 50%, equivalent to VND 462.35 billion. After the project is completed, AMC will receive 55% of the total revenue earned from the project. On May 23, 2012, AMC transferred VND 200 billion to Investco to contribute to the project. At the date of this report, the project has not been implemented, the Bank's Board of Directors issued Resolution No. 206/NQ-HDQT/19 dated December 31, 2019 to allow AMC to extend the contract for 36 months from August 19, 2019. However, for prudence, AMC also made a provision of VND 10 billion for this investment in AMC's income statement 2019. Besides, AMC's Board of Directors is gradually collecting the above investment. As of March 31, 2021, the remaining balance has been VND 100 billion.

(**) On May 31, 2012, at the request of Investco, AMC advanced an investment amount of VND 250 billion for the above mentioned business cooperation contract. So far, this advance has not been withdrawn and according to the Resolution of the Board of Directors of the Bank No. 206/NQ-HDQT/19 dated December 31, 2019, AMC would adjust the interest rate of this advance from the interest rate on no-term deposits to term deposits. However, for prudence, AMC also made provision for this advance to the income statement 2019 and 2020 with the amount of VND 12.5 billion and VND 10.5 billion respectively. Besides, AMC's Board of Directors is gradually collecting the above advance. As of March 31, 2021, the remaining balance has been VND 230 billion.

(***) In 2019, the bank temporarily transferred the loan amount for loans from customers related to credit activities at Dong Do Transaction Office into receivables awaiting settlement while waiting for the final conclusion of the Ha Noi Investigation Police Agency.

(****) Receivable from FPT Securities JSC (FPTS) related to the deposits to implement the Investment Cooperation Contract No. 01/HDHTDT/VAB-FPTS/2020 and No. 02/HDHTDT/VAB -FPTS/2020 dated December 28, 2020. Under these contracts, FPTS would introduce, seek and consult for the Bank to purchase Government bonds on the secondary market that meet the contractual characteristics. However, as of January 4, 2021, the transactions were not performed because FPTS could not find the products matching the contractual requirements, then the Bank received these deposits and interests from using the contract performance guarantee.

11.3 Accrued interest and fees receivable	Dec. 31, 2020	Jan. 01, 2020
- Interest receivable from loans and advances to customers	3,080,984,011,322	2,715,204,554,810
- Interest receivable from investment securities	364,787,886,275	382,154,575,325
- Interest receivable from deposits	7,335,816,867	10,783,445,526
- Interest receivable from derivative financial instruments	694,739,871	3,459,152,872
Total	3,453,802,454,335	3,111,601,728,533

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

11.4 Other assets	Dec. 31, 2020	Jan. 01, 2020
- Pending foreclosed assets	12,000,000,000	12,000,000,000
- Foreclosed assets of Vietnam National General Export - Import JSC No.1	12,000,000,000	12,000,000,000
- Foreclosed assets (*)	1,759,361,739,937	1,120,382,579,883
- Received from Phu An Thanh Co., Ltd	-	157,889,581,589
- Received from Dong Phuong Hong JSC	-	23,141,258,357
- Received from Truong Thanh Furniture Corporation	342,460,498,237	342,460,498,237
- Received from Vietnam National General Export - Import JSC No.1	207,000,000,000	207,000,000,000
- Received from HFC Vietnam Investment Trading and Import Export JSC	387,891,241,700	387,891,241,700
- Received from An Khanh Trading Services and Construction Investment JSC	217,447,066,666	-
- Received from Viet Hung Investment and Trading Co., Ltd	211,952,933,334	-
- Received from Seafood JSC No. 4	92,610,000,000	-
- Received from Vien Dong Group JSC	270,000,000,000	-
- Received from Trading and Manufactory Industrial JSC	30,000,000,000	-
- Expenses awaiting allocation	29,911,263,757	46,005,130,648
- Deposit book, blank bill, check	2,993,831,410	4,418,024,777
- Other receivables	2,370,026,611	4,549,281,200
Total	1,806,636,861,715	1,187,355,016,508

(*) Foreclosed assets are land use rights, real estate, machinery, and listed stocks currently in the process of completing legal documents to transfer ownership to Bank. However, for the assets receiving debt assignment, real estate being used by the Bank creates an income source for the Bank.

12. Deposits and borrowings from other credit institutions

12.1. Deposits from other credit institutions	Dec. 31, 2020	Jan. 01, 2020
a. Demand deposits	17,152,237,235	7,832,161,594,369
- VND	17,152,237,235	7,832,161,594,369
b. Term deposits	13,584,042,000,000	4,916,476,705,788
- VND	11,783,412,000,000	3,813,759,205,788
- Foreign currencies	1,800,630,000,000	1,100,717,500,000
Total	13,601,194,237,235	12,748,638,300,157
12.2. Borrowings from other credit institutions	Dec. 31, 2020	Jan. 01, 2020
- VND	4,562,961,759,264	8,667,715,909,264
- Foreign currencies	2,837,741,863	121,490,709
Total	4,565,799,501,127	8,667,837,399,973
Total of deposits and borrowings from other credit institutions	18,166,993,738,362	21,416,475,700,130

13. Deposits from customers

- Analysis by type	Dec. 31, 2020	Jan. 01, 2020
Demand deposits, gold	2,395,939,738,749	955,779,770,158
- VND	2,291,870,688,485	917,113,304,743
- Gold and foreign currencies	104,069,050,264	38,666,465,415
Term deposits, gold	56,860,576,905,826	46,221,386,038,815
- VND	56,624,817,027,116	45,966,123,163,142
- Gold and foreign currencies	235,759,878,710	255,262,873,673

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

13. Deposits from customers (cont.)

	Dec. 31, 2020	Jan. 01, 2020
Deposits for special purposes	5,644,585	5,632,406
Deposits	15,337,411,119	251,539,029,987
- VND	15,201,071,478	251,404,848,988
- Gold and foreign currencies	136,339,641	134,180,999
Total	59,271,859,700,279	47,428,710,471,366

- Analysis by type of customer and form of business

	Dec. 31, 2020	Jan. 01, 2020
Deposits from economic institutions	6,826,319,312,578	3,796,764,673,843
State-Owned enterprise	597,649,041,672	505,052,957,639
Joint stock, limited liability, partnership, finance and private companies	6,127,349,288,128	3,210,653,468,338
Foreign invested companies	101,320,982,778	81,058,247,866
Individuals and others	52,445,540,387,701	43,631,945,797,523
Total	59,271,859,700,279	47,428,710,471,366

14. Grants, trusted funds and borrowings at risk of the credit institution

	Dec. 31, 2020	Jan. 01, 2020
Grants, trusted funds and loans in VND	-	6,546,256,000
Total	-	6,546,256,000

15. Valuable papers issued

	Dec. 31, 2020	Jan. 01, 2020
Bonds	750,000,000,000	750,000,000,000
- VND	750,000,000,000	750,000,000,000
Certificates of deposit	607,635,398,735	499,345,128,315
- Certificates of deposits with terms of less than 12 months in VND	450,000,000,000	301,065,000,000
- Certificate of deposits with term from 12 months to 5 years in VND	157,635,398,735	198,280,128,315
Total	1,357,635,398,735	1,249,345,128,315

16. Other liabilities

	Dec. 31, 2020	Jan. 01, 2020
- External payables (*)	400,233,915,472	522,748,008,984
Accrued interest and fees payable	1,602,620,402,642	1,373,901,578,799
Bonus and welfare fund	6,079,041,999	6,770,041,999
Total	2,008,933,360,113	1,903,419,629,782

(*): External payables include:

- Taxes and other payables to the State Budget	41,153,691,963	41,760,579,489
- Remittances payable	11,422,670,543	15,502,641,484
- Amounts awaiting for settlement (**)	304,351,043,841	300,592,408,345
- Periodical interest for deposits	24,817,100,148	15,951,859,486
- Property assessment fee	345,000,000	21,322,135

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

16. Other liabilities (cont.)

(*): External payables (cont.) include:

	Dec. 31, 2020	Jan. 01, 2020
- Deposit for rental	791,000,000	579,000,000
- Deposit for searching information on real estate in District I	11,000,000,000	11,000,000,000
- Unearned revenue	-	131,149,350,652
- Other payables	6,353,408,977	6,190,847,393
Total	400,233,915,472	522,748,008,984

(**): Among the amounts awaiting for settlement as of December 31, 2020, there was a pending payables of VND 250.14 billion related to customer groups at Dong Do Transaction Office that the Bank temporarily implemented to transfer status from savings deposit to savings books pending the final conclusion of the Investigation Police Agency.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

17. Capital and funds of credit institutions

17.1. Statement of changes in equity

Items	Paid-in capital	Share premium	Owners' other capital	Financial reserve	Reserve to supplement share capital	The exchange rate difference	Undistributed earnings/ accumulated losses	Total
Balance at January 01, 2019	3,499,990,470,000	98,600,000	13,470,351	173,416,949,866	22,525,489,816	-	538,823,929,287	4,234,868,909,320
- Net profit for the year 2019	-	-	-	-	-	-	-	-
- Appropriations to reserves and funds	-	-	-	20,739,754,389	10,369,877,195	-	(31,109,631,584)	-
Balance at December 31, 2019	3,499,990,470,000	98,600,000	13,470,351	194,156,704,255	32,895,367,011	-	715,111,841,595	4,442,266,453,212
Balance at January 01, 2020	3,499,990,470,000	98,600,000	13,470,351	194,156,704,255	32,895,367,011	-	715,111,841,595	4,442,266,453,212
- Capital increased in the year (*)	949,645,200,000	-	-	-	-	-	-	949,645,200,000
- Net profit for the year 2020	-	-	-	-	-	-	332,016,002,760	332,016,002,760
- Appropriations to reserves and funds	-	-	-	33,201,600,276	16,600,800,138	-	(49,802,400,414)	-
Số dư tại ngày 31/12/2020	4,449,635,670,000	98,600,000	13,470,351	227,358,304,531	49,496,167,149	-	997,325,443,941	5,723,927,655,972

(*) The State Bank of Vietnam issued Official dispatch No. 10088/NHNN-TTGSNH on December 25, 2019 to approve the increase of charter capital of Vietnam - Asia Commercial Joint Stock Bank from VND 3,500 billion to VND 5,000 billion. The Bank offered shares to the public under the Certificate No. 43/GCN-UBCK dated March 26, 2020 issued by State Securities Commission of Vietnam (SSC). On June 30, 2020, SSC issued Official dispatch No. 4181/UBCK-QLCB to report on results of public share offering that the Bank successfully offered 97.36 million shares at VND 10,000 per share, total amount of VND 973.6 billion. However, due to the percentage of shares owned by individual shareholders exceeded the prescribed rate, on November 19, 2020, the Bank sent to SSC the Report No. 304/2020/BC-VAB on the result of the public offering after completing the share offering and the total number of distributed shares is 94.96 million shares with par value of VND 10,000 per share, equivalent to VND 949.64 billion. On December 7, 2020, the SSC issued Official Letter No. 7191/UBCK-QLCB approving the adjustment of the issuance results and approving the results that VAB had successfully issued 94,964,520 shares.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

Funds of credit institutions

According to Decree No. 93/2017/NĐ-CP dated August 07, 2017 issued by the Government, Commercial Joint Stock Bank has to set up funds before dividends and after distributing profit to associate members under the provisions of the contract (if any), to offset the losses of the previous years has expired to deducted from profit before corporate income tax as follows:

- Set up reserve fund for supplementing the chartered capital at 5% of the profit after tax. The maximum balance of this fund has to equal the chartered capital of the credit institutions. This fund will be transferred to the charter capital upon the approval of the State Bank of Vietnam and State Security Commission of Vietnam.

- Charge 10% for finance reserve fund; the maximum balance of this fund is not allowed to exceed 25% of the charter capital of credit institutions. This fund is used to compensate for the remaining portion of losses, damages of assets in the business course after the organizations, individuals causing the loss, damage, insurance organizations have made compensation and provision has been used.

- Set up other funds like construction investment fund, bonus and welfare fund.... suggested by the Bank's Management and approved by the Shareholders' meeting.

17.2. Earnings per share

	Year 2020	Year 2019
- Profit or loss to calculate basic earnings per share	332,016,002,760	207,397,543,892
- Weighted average number of ordinary shares to calculate basic earnings per share	398,131,749	349,999,047
- Earnings per share	834	593

17.3. Details of share capital of credit institutions

	Dec. 31, 2020		Jan. 01, 2020	
	Amount	Ordinary share capital	Preferred share capital	Amount
- Charter capital	4,449,635,670,000	4,449,635,670,000	-	3,499,990,470,000
- Share premium	98,600,000	98,600,000	-	98,600,000
- Other capital	13,470,351	13,470,351	-	13,470,351
Total	4,449,747,740,351	4,449,747,740,351	-	3,500,102,540,351

17.4. Dividends

	Year 2020	Year 2019
- Dividends disclosed after the balance sheet date:	Not yet declared	Undeclared

These notes form an integral part of the financial statements.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

17.5. Shares

	Year 2020	Year 2019
- Number of shares registered to be issued	-	-
- Number of shares sold out to the public	444,963,567	349,999,047
+ Ordinary share	444,963,567	349,999,047
+ Preferred share	-	-
- Number of shares repurchased	-	-
+ Ordinary share	-	-
+ Preferred share	-	-
- Number of existing shares in issue	444,963,567	349,999,047
+ Ordinary share	444,963,567	349,999,047
+ Preferred share	-	-

* Par value: VND 10,000/share.

VI. Additional Information for Items Presented in the Consolidated Income Statement

18. Interest income and similar incomes

	Year 2020	Year 2019
Interest income from deposits	83,114,222,768	147,347,210,730
Interest income from loans granted to customers	4,829,365,988,824	4,070,926,680,175
Interest income from debt securities trading and investment	689,183,135,249	618,233,454,801
- Interest income from trading securities	-	1,417,711,248
- Interest income from investment securities	689,183,135,249	616,815,743,553
Income from guarantee activities	4,656,224,081	12,064,763,153
Other income from credit activities	182,035,989,461	69,704,148,784
Total	5,788,355,560,383	4,918,276,257,643

19. Interest expenses and similar expenses

	Year 2020	Year 2019
Deposits	4,199,235,341,553	3,554,767,049,232
Loan interests	125,718,368,031	239,865,871,026
Issuing valuable papers interests	117,884,910,353	98,474,456,635
Other credit activities' expenses	34,737,136,395	6,004,782,259
Total	4,477,575,756,332	3,899,112,159,152

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

20. Net gain/loss from services:

	Year 2020	Year 2019
Gains from services	50,434,749,704	22,992,606,611
Payment service	25,135,796,348	9,825,873,949
Treasury service	656,709,189	636,983,293
Other services	24,642,244,167	12,529,749,369
Expenses of services	33,934,070,409	36,136,649,589
Payment service	20,214,433,708	10,069,413,998
Treasury service	292,013,772	339,139,234
Other services	13,427,622,929	25,728,096,357
Net gain/loss from services	16,500,679,295	(13,144,042,978)

21. Net gain/loss from dealing in foreign currencies

	Year 2020	Year 2019
Gains from dealing in foreign currencies	77,809,795,942	62,947,768,715
Foreign currency for immediate delivery	15,307,599,262	4,321,647,426
Gold trading	9,182,666,694	5,599,563,362
Currency derivative financial instruments	53,319,529,986	53,026,557,927
Expenses of dealing in foreign currencies	43,825,427,818	53,328,562,272
Foreign currency for immediate delivery	12,779,582,515	10,172,247,644
Gold trading	2,173,061,629	219,572,704
Currency derivative financial instruments	28,872,783,674	42,936,741,924
Net gain/loss from dealing in foreign currencies	33,984,368,124	9,619,206,443

22. Net gain/(loss) from trading securities

	Year 2020	Year 2019
Income from dealing trading securities	1,720,363,531	2,012,227,052
Expenses of dealing trading securities	49,060,688	46,889,416
Provision for losses of trading securities expenses	393,760,000	-
Reversal of provision for losses of trading securities	-	315,200,000
Net gain/(loss) from trading securities	1,277,542,843	2,280,537,636

23. Net gain/(loss) from investment securities

	Year 2020	Year 2019
Income from dealing investment securities	23,083,351,791	1,925,707,909
Expenses of dealing investment securities	6,990,249,982	106,240,072
Net gain/(loss) from investment securities	16,093,101,809	1,819,467,837

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

	Year 2020	Year 2019
24. Net gain/(loss) from other activities		
Income from other activities	402,700,018,609	229,944,657,669
<i>Disposal and sale of fixed assets</i>	19,590,909	-
<i>Interest from debts sold to VAMC</i>	31,694,561,081	12,164,509,925
<i>Income from debt trading</i>	285,489,578,915	138,957,042,345
<i>Income from loans that settled</i>	30,611,642,463	16,000,000,000
<i>Other income</i>	54,884,645,241	62,823,105,399
Expenses of other activities	47,429,682,136	7,764,518,553
<i>Other expenses</i>	47,429,682,136	7,764,518,553
Net gain/(loss) from other activities	355,270,336,473	222,180,139,116
25. Income from capital contribution and purchase of shares		
Proceeds from transfer of investments	38,500,000,000	-
Dividends from capital contribution and purchase of shares	9,322,955,000	1,165,328,500
Long-term capital contribution, investments	9,322,955,000	1,165,328,500
Total	47,822,955,000	1,165,328,500
26. Operating expenses		
1. Tax, duties and fees	1,032,285,102	792,872,860
2. Expenses for employees	289,529,461,763	266,573,081,209
In which:		
<i>Salaries and allowances</i>	261,821,977,737	239,087,914,548
<i>Salary related contributions</i>	24,150,557,109	21,244,871,598
<i>Others</i>	3,556,926,917	6,240,295,063
3. Expenses on assets	107,899,995,645	104,183,524,458
In which:		
<i>Depreciation and amortisation expenses</i>	21,435,954,626	19,968,273,265
<i>Office rental</i>	65,073,645,515	62,322,714,096
<i>Asset maintenance expenses</i>	21,390,395,504	21,892,537,097
<i>Expenses for procurement of office tools</i>	-	-
4. Administration expenses	147,654,932,168	173,711,735,935
In which:		
<i>Marketing, promotion and printing expenses</i>	4,111,031,796	5,176,337,943
<i>Non-deductible value added tax</i>	10,279,037,714	9,784,232,609
<i>Utilities expenses</i>	10,038,435,040	9,998,632,352
<i>Telecommunication expenses</i>	2,834,735,969	2,999,990,021
<i>Others</i>	120,391,691,649	145,752,543,010
5. Insurance expenses for customers' deposit	70,565,749,000	56,070,508,000
Total	616,682,423,678	601,331,722,462

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

27. Allowance expenses for credit losses

	Year 2020	Year 2019
General allowance for credit losses on loans to customers		
Addition	101,944,029,474	130,140,035,999
Reversal	(67,293,548,093)	(83,776,682,309)
Specific allowance for credit losses on loans to customers		
Addition	175,548,921,247	114,921,426,012
Reversal	(68,865,343,620)	(83,636,665,895)
Allowance for special bonds of VAMC		
Addition	818,440,834,216	321,485,940,729
Reversal	(201,986,796,677)	(81,358,719,731)
Other allowances		
Addition	24,782,873,020	48,160,000,000
Reversal	(25,000,000,000)	-
Total	757,570,969,567	365,935,334,805

28. Corporate income tax

	Year 2020	Year 2019
Current corporate income tax expense:		
1. Accountin profit before tax	407,475,394,350	275,817,677,778
In which: Profit before tax of VAB	406,428,012,964	296,004,631,936
Profit/(loss) from business activities of AMC	1,047,381,386	(20,186,954,158)
2. Adjustments to taxable income:		
Less income under CIT:	11,042,953,087	11,638,851,814
Income from capital contribution, joint-venture, shares acquisition	11,042,953,087	2,583,039,748
Income from leasing foreclosed assets received from Truong Thanh Furniture Corporation (paid tax in 2018 under Minutes of tax inspection)	-	8,278,758,645
Other income was taxed last year	-	777,053,421
Less adjustments that increase profit before tax	25,291,982,077	-
Less the AMC's loss carry forward from the prior year	1,014,560,022	-
Plus undeductible expenses in determining taxable income:	7,222,905,194	37,206,556,329
3. Taxable income	377,348,804,358	321,572,336,451
In which: Taxable income from business activities	377,175,982,994	321,572,336,451
Taxable income from the transfer of real estate	172,821,364	-
4. CIT calculated on taxable income	75,469,760,872	64,314,467,290
5. Reduction of 30% in corporate income tax payable of AMC according to Decree No. 114/NĐ-CP dated September 25, 2020.	(10,369,282)	-
6. Adjustment of Corporate income tax of prior years to that of current year	-	4,105,666,596
7. Total current corporate income tax	75,459,391,590	68,420,133,886

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

VII. Additional Information for Items Presented in the Consolidated Statement of Cash Flows

29. Cash and cash equivalents	Dec. 31, 2020	Jan. 01, 2020
Cash and cash equivalents on hand	295,746,112,695	266,475,949,276
Deposits at State Bank of Vietnam	2,200,651,682,348	2,941,222,700,590
Cash, foreign currencies deposited at other credit institutions (Demand deposits and term deposits are not exceeding 3 months)	15,173,083,833,362	11,477,382,764,646
Total	17,669,481,628,405	14,685,081,414,512

VIII. Other information

30. Personnel Income	Year 2020	Year 2019
I. Total employees	1,443	1,455
II. Income		
1. Total salaries	257,118,144,225	234,057,703,559
2. Bonus	834,951,281	2,726,401,013
3. Other income	6,500,000	1,447,680
4. Total income (1+2+3)	257,959,595,506	236,785,552,252
5. Average annual salary/employee	178,183,052	160,864,401
6. Average annual income/employee	178,766,178	162,739,211

31. Clearance of obligations to the State Budget

Items	Opening balance	Movements during the year		Closing balance
		To be paid	Paid	
1a. Value added tax (VAB)	36,573,149	(8,229,700,923)	3,828,590,517	(12,021,718,291)
- Business activities	151,030,050	4,193,844,699	3,828,590,517	516,284,232
- Other adjustments	(114,456,901)	114,456,901	-	-
- Deductible VAT	-	(12,538,002,523)	-	(12,538,002,523)
1b. Value added tax (AMC)	(718,936,937)	1,519,205,422	108,334,554	691,933,931
2a. Corporate income tax (VAB)	39,365,778,372	75,435,196,599	76,300,311,118	38,500,663,853
2b. Corporate income tax (AMC)	-	24,194,991	34,564,273	(10,369,282)
3a. Personal income tax (VAB)	84,010,559	11,194,809,110	10,398,345,959	88,047,371
3b. Personal income tax (AMC)	31,646,917	179,083,563	176,667,075	34,063,405
4. Withholding tax	6,620,120	605,120,818	609,179,451	2,561,487
Total	38,805,692,180	80,727,909,580	91,455,992,947	28,077,608,813

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

32. Type and value of collaterals received from customers

Assets, valuable papers for mortgage, pledge and discount, rediscount	To Dec. 31, 2020	To Jan. 01, 2020
Real estates	20,444,433,663,895	22,310,117,036,312
Shares and valuable papers	8,262,610,549,760	8,639,723,986,092
Inventories	978,959,709,473	1,073,883,705,916
Machinery and equipment	610,548,570,888	499,031,009,575
Others	149,044,231,623,311	125,349,248,188,800
Total	179,340,784,117,327	157,872,003,926,695

33. Contingencies and commitments

Items	Dec. 31, 2020	Jan. 01, 2020
Payment guarantees	-	-
Commitments on foreign currency transactions	3,162,645,000,000	11,921,835,076,420
Commitments on purchase of foreign currencies	-	231,730,000,000
Cross currency swap contracts	3,162,645,000,000	11,690,105,076,420
Letters of credit	382,891,507,294	158,276,346,490
Commitment on payment in L/C transactions	382,891,507,294	158,276,346,490
Other guarantees	684,886,456,296	548,756,050,446
Payment	26,306,600,000	45,449,511,274
Contract performance	34,819,282,328	96,795,184,514
Bidding	565,920,000	3,458,401,054
Others	623,194,653,968	403,052,953,604
Total	4,230,422,963,590	12,628,867,473,356

34. Related party transactions

Key transactions and balances with related parties:

Related parties	Relationship	Transactions	Movement	Closing Balance as at Dec. 31, 2020 Receivables/ (Payables)
Board of Directors	Related parties	Interest on deposits	3,402,651	
		Balance of deposits		(25,471,916,138)
		Remuneration	5,380,000,000	
Board of Supervisors	Related parties	Interest on deposits	165,206,844	
		Balance of deposits		(1,873,231,886)
		Remuneration	1,750,000,000	
Board of Management	Related parties	Interest on deposits	693,387,626	
		Balance of deposits		(19,220,398,923)
		Salary and bonus	9,344,109,988	

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

35. Subsequent events

The Board of General Director said that, there are no significant events since the year end that need to be adjusted or noted in the consolidated financial statements.

36. Geographical concentration of assets, liabilities and off-balance sheet items

	Total outstanding of loans	Total deposits	Credit commitments	Derivative instruments (total value by contract)	Securities trading and investing
Local	48,378,542,968,777	17,300,742,498,958	4,230,422,963,590	5,554,449,516	12,416,121,449,436
Overseas	-	122,993,016,752	-	-	-

37. Segment reporting

A reportable segment includes business segment or a geographical segment.

A business segment is a distinguishable component of the Bank that is engaged in providing an individual product or service or a group of related products or services and that is subject to risks and returns that are different from those of other business segments.

A geographical segment is a distinguishable component of the Bank that is engaged in providing products or services within a particular economic environment and that is subject to risks and returns that are different from those of components operating in other economic environments. A geographic area does not include activities in the economically environment at risk and economic benefits differ significantly. A geographic area may be a country, two or more countries or one, two or more provinces or cities in the country.

The Bank presents major segment reporting by geographical segment, the minor segment reporting by business sector.

The reportable segment is presented from Page 48 to Page 50.

38. Financial risk management

The financial risks to be incurred by the Bank include credit risk, market risk and operating risk.

38.1 Credit risks

Credit risks are incurred in case the bank's customers and partners do not full fill their obligations causing the financial loss. The credit risks are resulted from loans and guarantee under all form.

The Bank bears credit risks in investments in debt securities and other risks in its transactions ("transaction risk") including assets in the list of transactions outside the owners' equity, derivative instruments and payments outstanding with partners.

The credit risks are the most significant risks in the Bank's business, so the Board of Directors manages them carefully. A division for managing credit risks, which is responsible for frequently reporting to the Board of Management and the head of each unit are in charge of the management and control of credit risks.

38.1.1 Measurement of credit risk for determining loss and making provision

(a) Loans and guarantee

The measurement of credit risks are done before and during the lending term.

The Bank has built the model for supporting the measurement of credit risk. The scaling model is used in all material items and set a foundation for measuring the risks of violation on payment provision before and during the lending term.

Based on the above measurement, the Bank classifies loans and makes provision in compliance with Circular No. 02/2013/TT-NHNN dated January 21, 2013 and Circular 09/2014/TT-NHNN dated March 18, 2014 of the State Bank to measure and classify loans and guarantees as presented in Note V.5.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS*For the fiscal year ended December 31, 2020**Unit: VND***(b) Debt securities**

Investments of the Bank in debt securities are debts instruments issued by the Government and prestigious credit, economic institutions. Credit risks are estimated by each specific debt in case the Bank assumes that there is change in credit risk of its partners. These investments are considered as a way to ensure a better credit plan and maintain available credit sources for meeting requirements of capital supply.

38.1.2 Policies to control and minimize credit risks

The Bank controls credit risks by applying the credit limit to risks (in and off-balance sheet) relating to each customer or group of customers as stipulated by the State Bank of Vietnam. Besides, credit risks are controlled by periodically reviewing groups of mortgaged assets and analyzing the capacity to pay interest and principal portion of the loans of existing and potential customers.

The Bank issues some policies and practices to minimize credit risks. A traditional and popular method is to hold secured assets for capital advances. Types of assets pledged as security for loan and advances include:

- Property: house;
- Right towards operating assets: head office, machinery and equipment, inventory, receivables;
- Right towards financial instruments: equity securities and debt securities.

As to loan with security, mortgaged assets are valued independently by the Bank with the application of specific discount rate for determining maximum lending value. The discount rate for each mortgaged asset is specified in Circular No. 02/2013/TT-NHNN dated January 21, 2013 and Circular No. 09/2014/TT-NHNN dated March 18, 2014 of the State Bank of Vietnam and be adjusted by each specific case. When the fair value of the mortgaged assets decreases, the Bank will request the customers to mortgage more assets for maintaining the safety for risks of the loans.

The credit risks of commitments including letter of credit, financial guarantee contract are the same with credit risks of loan. L/C together with vouchers and commercial L/C is a the Bank's written commitment to pay to third party with the amount stipulated by specific terms and conditions on behalf of its customers from guarantee by goods of customers and so risk is less than direct loans. The issuance of credit letter and financial guarantee contract follows the process of assessing and approving the credit for loans and advances to customers except when the customers deposit 100% for relevant commitments.

38.2 Market risk

Market risks are incurred when the fair value of future cash flows of certain financial instrument fluctuate following the change of the market value. The market risks are resulted from the open status of interest rate, monetary products and equity instruments. All of these products are under the impact of the fluctuation of the market in general and each type of market as well as the change in fluctuation level of the market: interest rate risk, currency risk and other risks. Details on market risks items are presented on Page 51 to Page 56.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

37. Segment reporting

Primary segment reporting

- The reports segment information by geographical segment

	For the fiscal year ended December 31, 2020	The Northern	The Central	The Southern	Adjustments	Total
I. Income		16,854,951,363,224	2,273,810,622,322	5,156,442,638,350	(17,893,277,828,936)	6,391,926,794,960
1. Interest income		16,469,914,551,159	2,190,470,136,115	5,021,248,702,045	(17,893,277,828,936)	5,788,355,560,383
External interest income		3,553,025,625,480	648,223,502,767	1,587,106,432,136		5,788,355,560,383
Internal interest income		12,916,888,925,679	1,542,246,633,348	3,434,142,269,909	(17,893,277,828,936)	-
2. Income from services		23,468,792,131	3,224,624,075	23,741,333,498	-	50,434,749,704
3. Income from other activities		361,568,019,934	80,115,862,132	111,452,602,807	-	553,136,484,873
II. Expenses		16,416,800,376,911	2,056,707,399,747	4,646,650,483,321	(17,893,277,828,936)	5,226,880,431,043
1. Interest expenses		15,986,175,614,041	1,964,537,519,477	4,420,140,451,750	(17,893,277,828,936)	4,477,575,756,332
External interest income		1,641,608,156,638	946,766,556,066	1,889,201,043,628		4,477,575,756,332
Internal interest income		14,344,567,457,403	1,017,770,963,411	2,530,939,408,122	(17,893,277,828,936)	-
2. Expenses for depreciation of fixed assets		17,976,918,771	2,181,609,925	1,277,425,930		21,435,954,626
3. Expenses relating to business activities		412,647,844,099	89,988,270,345	225,232,605,641		727,868,720,085
Operating profit before allowance and provision expenses for credit losses		438,150,986,313	217,103,222,575	509,792,155,029	-	1,165,046,363,917
Allowance and provision expenses for credit losses		705,343,268,248	17,203,991,324	35,023,709,995	-	757,570,969,567
Segment results		(267,192,281,935)	199,899,231,251	474,768,445,034	-	407,475,394,350
III. Assets		64,768,103,370,377	5,536,514,927,959	16,224,731,555,125	-	86,529,349,853,461
1. Cash on hand		94,351,436,285	65,884,454,775	135,510,221,635	-	295,746,112,695
2. Fixed assets		121,546,166,072	29,074,440,808	57,104,300,026	-	207,724,906,906
3. Other assets		64,552,205,768,020	5,441,556,032,376	16,032,117,033,464	-	86,025,878,833,860
IV. Liabilities		42,230,108,082,982	13,897,979,081,407	24,677,335,033,100	-	80,805,422,197,489
1. External liabilities		41,860,634,733,587	13,892,769,746,627	24,645,704,759,804	-	80,399,109,240,018
2. Internal liabilities					-	-
3. Other liabilities		369,473,349,395	5,209,334,780	31,630,273,296	-	406,312,957,471

These notes form an integral part of the financial statements.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

37. Segment reporting (cont.)

Primary segment reporting (cont.)

- The reports segment information by geographical segment (cont.)

For the fiscal year ended December 31, 2019	The Northern	The Central	The Southern	Adjustments	Total
I. Income	10,481,203,556,389	1,486,995,487,729	3,063,276,663,731	(9,791,895,953,750)	5,239,579,754,099
1. Interest income	10,211,510,762,225	1,481,377,020,797	3,017,284,428,371	(9,791,895,953,750)	4,918,276,257,643
External interest income	3,617,641,155,075	390,481,583,336	910,153,519,232	-	4,918,276,257,643
Internal interest income	6,593,869,607,150	1,090,895,437,461	2,107,130,909,139	(9,791,895,953,750)	-
2. Net gain/loss from services	10,907,941,087	2,904,316,054	9,180,349,470	-	22,992,606,611
3. Net gain/(loss) from other activities	258,784,853,077	2,714,150,878	36,811,885,890	-	298,310,889,845
II. Expenses	10,102,928,543,132	1,393,662,141,284	2,893,132,010,850	(9,791,895,953,750)	4,597,826,741,516
1. Interest expenses	9,698,895,447,730	1,304,915,662,660	2,687,197,002,512	(9,791,895,953,750)	3,899,112,159,152
External interest income	1,434,921,678,979	779,922,512,691	1,684,267,967,482	-	3,899,112,159,152
Internal interest income	8,263,973,768,751	524,993,149,969	1,002,929,035,030	(9,791,895,953,750)	-
2. Expenses for depreciation of fixed assets	16,150,779,942	2,382,602,560	1,434,890,763	-	19,968,273,265
3. Expenses relating to business activities	387,882,315,460	86,363,876,064	204,500,117,575	-	678,746,309,099
Operating profit before allowance and provision expenses for credit losses	378,275,013,257	93,333,346,445	170,144,652,881	-	641,753,012,583
Allowance and provision expenses for credit losses	255,608,353,274	6,483,240,085	103,843,741,446	-	365,935,334,805
Segment results	122,666,659,983	86,850,106,360	66,300,911,435	-	275,817,677,778
III. Assets	58,930,755,741,379	5,358,034,911,799	12,157,972,985,627	-	76,446,763,638,805
1. Cash on hand	71,616,246,652	58,512,894,099	136,346,808,525	-	266,475,949,276
2. Fixed assets	107,566,249,137	30,878,473,167	58,073,016,501	-	196,517,738,805
3. Other assets	58,751,573,245,590	5,268,643,544,533	11,963,553,160,601	-	75,983,769,950,724
IV. Liabilities	33,871,533,732,200	11,309,520,825,625	26,823,442,627,768	-	72,004,497,185,593
1. External liabilities	33,369,418,043,553	11,305,392,861,869	26,800,168,229,188	-	71,474,979,134,610
2. Internal liabilities	-	-	-	-	-
3. Other liabilities	502,115,688,647	4,127,963,756	23,274,398,580	-	529,518,050,983

These notes form an integral part of the financial statements.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

37. Segment reporting (cont.)

Secondary segment reporting

- The reports segment information by business segment

For the fiscal year ended December 31, 2020	Commercial banking activities	Investment activities	Debt Management And Asset Exploitation Activities	Unallocated activities	Total
Segment results	448,137,468,348	574,972,968,294	1,047,381,386	(616,682,423,678)	407,475,394,350
Assets	55,742,735,319,588	27,701,904,182,173	700,733,045,214	2,383,977,306,486	86,529,349,853,461
Liabilities	62,777,135,767,238	17,823,944,839,323	204,341,590,928	-	80,805,422,197,489

For the fiscal year ended December 31, 2019	Commercial banking activities	Investment activities	Debt Management And Asset Exploitation Activities	Unallocated activities	Total
Segment results	572,065,187,652	315,796,899,148	(20,186,954,158)	(591,857,454,864)	275,817,677,778
Assets	46,760,304,355,007	25,664,420,572,193	617,886,787,469	3,404,151,924,136	76,446,763,638,805
Liabilities	51,613,605,899,466	20,379,068,346,578	11,822,939,549	-	72,004,497,185,593

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: Million VND

38.2 Market risks (cont.)

38.2.1 Interest rate risks

Interest rate risk is the risk in which the future cash flows of financial instruments are affected by changes in the market interest rate. The Bank manages the interest rate risks by controlling the differences of interest rate on a monthly basis.

Summary of interest rate risks of the Bank as at December 31, 2020 is as follows:

Items	Overdue	Not subject to interest rate	Up to 1 month	From 1-3 months	From 3 - 12 months	From 1-5 years	Over 5 years	Total
I. Cash, gold, silver and gemstones	-	295,746	-	-	-	-	-	295,746
II. Deposits at the State Bank of Vietnam	-	-	2,200,652	-	-	-	-	2,200,652
III. Deposits, gold at other credit institutions and loans granted to other credit institutions (*)	-	-	15,173,084	50,000	-	-	-	15,223,084
IV. Trading securities (*)	-	-	-	-	-	-	-	-
V. Derivative financial instruments and other financial assets (*)	-	5,554	-	-	-	-	-	5,554
VI. Loans granted to customers (*)	1,373,613	-	15,939,849	24,693,040	6,371,822	219	-	48,378,543
VIII. Debt purchasing (*)	-	-	-	-	-	-	-	-
VIII. Investment securities (*)	-	74,075	1,433,190	600,012	1,112,255	1,056,648	8,139,941	12,416,121
IX. Capital contribution, long-term investments (*)	-	113,874	-	-	-	-	-	113,874
X. Fixed assets and investment properties	-	207,725	-	-	-	-	-	207,725
XI. Others assets (*)	-	8,274,759	-	-	-	-	-	8,274,759
Total Assets	1,373,613	8,971,733	34,746,775	25,343,052	7,484,077	1,056,867	8,139,941	87,116,058
Liabilities								
I. Deposits from SBV and other credit institutions	-	-	18,160,115	-	2,725	4,154	-	18,166,994
II. Deposits from customers	-	-	13,029,986	12,608,384	30,847,062	2,785,992	437	59,271,861
III. Derivative financial instruments and other financial liabilities	-	-	-	-	-	-	-	-
IV. Capital financed, entrusted for investment, lent to credit institutions which subject to risks	-	-	-	-	-	-	-	-
V. Issuance of valuable documents	-	-	150,000	300,098	157,511	300,027	450,000	1,357,636
VI. Other liabilities	-	2,008,933	-	-	-	-	-	2,008,933
Total liabilities	-	2,008,933	31,340,101	12,908,482	31,007,298	3,090,173	450,437	80,805,424
The different sensitivity level with the interest rate in the balance sheet	1,373,613	6,962,800	3,406,674	12,434,570	(23,523,221)	(2,033,306)	7,689,504	6,310,634
Off balance sheet commitments affecting the sensitivity level with the interest rate of assets and liabilities (net)	-	-	-	-	-	-	-	-
The different sensitivity level with the interest rate in and off the balance sheet	1,373,613	8,336,413	11,743,087	24,177,657	654,436	(1,378,870)	6,310,634	-

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: Million VND

38.2.1 Interest rate risks (cont.)

Summary of interest rate risks of the Bank as at January 01, 2020 is as follows:

Items	Overdue	Not subject to interest rate	Up to 1 month	From 1-3 months	From 3 - 12 months	From 1-5 years	Over 5 years	Total
I. Cash, gold, silver and gemstones	-	266,476	-	-	-	-	-	266,476
II. Deposits at the State Bank of Vietnam	-	-	2,941,223	-	-	-	-	2,941,223
III. Deposits, gold at other credit institutions and loans granted to other credit institutions (*)	-	-	11,427,383	200,000	-	-	-	11,627,383
IV. Trading securities (*)	-	-	-	-	-	-	-	-
V. Derivative financial instruments and other financial assets (*)	-	49,127	-	-	-	-	-	49,127
VI. Loans granted to customers (*)	520,005	-	16,250,257	18,862,822	6,989,455	1,214	-	42,623,753
VII. Debt purchasing (*)	-	-	-	-	-	1,519	-	1,519
VIII. Investment securities (*)	-	2,685,918	100,045	150,000	1,741,745	3,970,812	5,632,656	14,281,176
IX. Capital contribution, long-term investments (*)	-	313,374	-	-	-	-	-	313,374
X. Fixed assets and investment properties	-	196,518	-	-	-	-	-	196,518
XI. Others assets (*)	-	5,447,636	-	-	-	-	-	5,447,636
Total Assets	520,005	8,959,049	30,718,908	19,212,822	8,731,200	3,973,545	5,632,656	77,748,185
Liabilities								
I. Deposits from SBV and other credit institutions	-	-	11,399,279	10,011,596	-	5,601	-	21,416,476
II. Deposits from customers	-	-	13,060,949	7,970,067	23,545,979	2,851,716	-	47,428,711
III. Derivative financial instruments and other financial liabilities	-	-	-	-	-	-	-	-
IV. Capital financed, entrusted for investment, lent to credit institutions which subject to risks	-	-	-	-	-	-	6,546	6,546
V. Issuance of valuable documents	-	-	21,217	317,247	13,213	447,668	450,000	1,249,345
VI. Other liabilities	-	1,903,419	-	-	-	-	-	1,903,419
Total liabilities	-	1,903,419	24,481,445	18,298,910	23,559,192	3,304,985	456,546	72,004,497
The different sensitivity level with the interest rate in the balance sheet	520,005	7,055,630	6,237,463	913,912	(14,827,992)	668,560	5,176,110	5,743,688
Off balance sheet commitments affecting the sensitivity level with the interest rate of assets and liabilities (net)	-	-	-	-	-	-	-	-
The different sensitivity level with the interest rate in and off the balance sheet	520,005	7,575,635	13,813,098	14,727,010	(100,982)	567,578	5,743,688	-

(*) These items do not include the balance of provision for risks.

These notes form an integral part of the financial statements.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: Million VND

38.2 Market risks (cont.)

38.2.2 Currency risks

Currency risk is the risk in which the value of financial instrument changes due to the changes in exchange rate. The Bank is established and operates in Vietnam and its reporting currency is VND. The currency the Bank uses for its transactions is also VND. Most of loans and advances to customers of the Bank are in VND and USD. However, some other assets are in currencies other than VND and USD, so the Bank has built the limit for each type of currencies. The monetary status is supervised on daily basis and strategy to prevent risks is applied by the Bank to ensure that the monetary status will be kept in already-built limit.

Presentation of assets and liabilities of the Bank by currencies converted into VND as at December 31, 2020:

Items	VND	Converted USD	Converted EUR	Converted monetary gold	Converted other currencies	Total
Assets						
Cash, gold, silver and gemstones	224,028	31,626	209	37,700	2,183	295,746
Deposits at the State Bank of Vietnam	2,176,027	24,625	-	-	-	2,200,652
Cash, gold, deposits at other credit institutions and loans granted to other credit institutions (*)	11,969,313	3,240,704	3,863	-	9,204	15,223,084
Trading securities (*)	-	-	-	-	-	-
Derivative financial instruments and other financial assets (*)	1,501,042	-	-	-	(1,495,488)	5,554
Loans granted to customers (*)	48,306,617	65,644	-	6,282	-	48,378,543
Debt purchasing (*)	-	-	-	-	-	-
Investment securities (*)	12,416,121	-	-	-	-	12,416,121
Capital contribution, long-term investments (*)	113,874	-	-	-	-	113,874
Fixed assets and investment properties	207,725	-	-	-	-	207,725
Others assets (*)	8,252,380	22,379	-	-	-	8,274,759
Total Assets	85,167,127	3,384,978	4,072	43,982	(1,484,101)	87,116,058
Liabilities and owners' equity						
Deposits and borrowings from the State Bank and other credit institutions	16,363,526	1,803,468	-	-	-	18,166,994
Deposits from customers	58,931,894	330,322	562	-	82	59,271,860
Derivative financial instruments and other financial liabilities	-	1,495,488	-	-	(1,495,488)	-
Capital financed, entrusted for investment, lent to credit institutions which subject to risks	-	-	-	-	-	-
Issuance of valuable documents	1,357,635	-	-	-	-	1,357,635
Other liabilities	2,006,338	2,595	-	-	-	2,008,933
Equity and funds	5,723,928	-	-	-	-	5,723,928
Total liabilities and owners' equity	84,383,321	3,640,873	562	-	(1,495,496)	86,529,350
Position of currencies in balance sheet	783,806	(255,895)	3,510	43,982	11,305	586,708
Position of currencies off balance sheet	-	-	-	-	-	-
Position of currencies in, off balance sheet	783,806	(255,895)	3,510	43,982	11,305	586,708

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: Million VND

38.2.2 Currency risks (cont.)

Presentation of assets and liabilities of the Bank by currencies converted into VND as at January 01, 2020:

Items	VND	Converted USD	Converted EUR	Converted monetary gold	Converted other currencies	Total
Assets						
Cash, gold, silver and gemstones	205,799	34,798	596	22,754	2,529	266,476
Deposits at the State Bank of Vietnam	2,924,090	17,133	-	-	-	2,941,223
Cash, gold, deposits at other credit institutions and loans granted to other credit institutions (*)	9,863,913	1,754,591	3,492	-	5,387	11,627,383
Trading securities (*)	-	-	-	-	-	-
Derivative financial instruments and other financial assets (*)	929,701	-	-	-	(880,574)	49,127
Loans granted to customers (*)	42,546,018	70,916	-	6,820	-	42,623,754
Debt purchasing (*)	1,519	-	-	-	-	1,519
Investment securities (*)	14,281,176	-	-	-	-	14,281,176
Capital contribution, long-term investments (*)	313,374	-	-	-	-	313,374
Fixed assets and investment properties	196,518	-	-	-	-	196,518
Others assets (*)	5,427,231	20,405	-	-	-	5,447,636
Total Assets	76,689,339	1,897,843	4,088	29,574	(872,658)	77,748,186
Liabilities and owners' equity						
Deposits and borrowings from the State Bank and other credit institutions	20,315,637	1,100,839	-	-	-	21,416,476
Deposits from customers	47,134,646	293,952	111	-	1	47,428,710
Derivative financial instruments and other financial liabilities	-	880,574	-	-	(880,574)	-
Capital financed, entrusted for investment, lent to credit institutions which subject to risks	6,546	-	-	-	-	6,546
Issuance of valuable documents	1,249,345	-	-	-	-	1,249,345
Other liabilities	1,899,239	4,180	-	-	-	1,903,419
Equity and funds	4,442,267	-	-	-	-	4,442,267
Total liabilities and owners' equity	75,047,680	2,279,545	111	-	(880,573)	76,446,763
Position of currencies in balance sheet	1,641,659	(381,762)	3,977	29,574	7,915	1,301,423
Position of currencies off balance sheet	-	-	-	-	-	-
Position of currencies in, off balance sheet	1,641,659	(381,762)	3,977	29,574	7,915	1,301,423

(*) These items do not include the balance of provision for risks.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: Million VND

38.2 Market risks (cont.)

38.2.3 Liquidity risks

Liquidity risks incurred when the Bank is unable to fulfill its obligations relating to financial liabilities and has no supersede resources in case of customers' withdrawal. This possibly results in the failure to pay the customers and perform commitments. The Bank monitors risks by:

- Controlling the capital mobilization and loan on daily basis;
- Maintaining investment portfolio securities that are easily convertible to cash.
- Controlling liquidity indices in the financial status report in compliance with the regulations of the State Bank of Vietnam.

Summary of assets and liabilities of the Bank by term from the period end December 31, 2020 to the matured date:

Items	Overdue		In due					Total
	Over 3 months	For 3 months	For 1 month	From 1-3 months	From 3-12 months	From 1-5 years	Over 5 years	
Cash, gold, silver and gemstones	-	-	295,746	-	-	-	-	295,746
Deposits at the State Bank of Vietnam	-	-	2,200,652	-	-	-	-	2,200,652
Cash, gold, deposits at other credit institutions and loans granted to other credit institutions (*)	-	-	15,173,084	50,000	-	-	-	15,223,084
Trading securities (*)	-	-	-	-	-	-	-	-
Derivative financial instruments and other financial assets (*)	-	-	5,554	-	-	-	-	5,554
Loans granted to customers (*)	261,772	1,111,841	4,977,244	2,274,234	17,690,244	11,776,960	10,286,247	48,378,543
Debt purchasing (*)	-	-	-	-	-	-	-	-
Investment securities (*)	-	-	11,142,047	149,999	100,000	500,000	524,075	12,416,121
Capital contribution, long-term investments (*)	-	-	-	-	-	-	113,874	113,874
Fixed assets and investment properties	-	-	-	-	-	-	207,725	207,725
Others assets (*)	-	-	8,274,759	-	-	-	-	8,274,759
Total Assets	261,772	1,111,841	42,069,086	2,474,233	17,790,244	12,276,960	11,131,921	87,116,058
Liabilities								
Deposits and borrowings from the State Bank and other credit institutions	-	-	18,160,115	-	2,725	4,154	-	18,166,994
Deposits from customers	-	-	13,029,986	12,608,384	30,847,061	2,785,992	437	59,271,860
Derivative financial instruments and other financial liabilities	-	-	-	-	-	-	-	-
Capital financed, entrusted for investment, lent to credit institutions which subject to risks	-	-	-	-	-	-	-	-
Issuance of valuable documents	-	-	150,000	300,098	157,511	300,027	450,000	1,357,636
Other liabilities	-	-	2,008,933	-	-	-	-	2,008,933
Total liabilities	-	-	33,349,034	12,908,482	31,007,297	3,090,173	450,437	80,805,423
Difference of net liquidity	261,772	1,111,841	8,720,052	(10,434,249)	(13,217,053)	9,186,787	10,681,484	6,310,635

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: Million VND

38.2.3 Liquidity risks (cont.)

Summary of assets and liabilities of the Bank by term from the period end January 01, 2020 to the matured date:

Items	Overdue		In due					Total
	Over 3 months	For 3 months	For 1 month	From 1-3 months	From 3-12 months	From 1-5 years	Over 5 years	
Cash, gold, silver and gemstones	-	-	266,476	-	-	-	-	266,476
Deposits at the State Bank of Vietnam	-	-	2,941,223	-	-	-	-	2,941,223
Cash, gold, deposits at other credit institutions and loans granted to other credit institutions (*)	-	-	11,427,383	200,000	-	-	-	11,627,383
Trading securities (*)	-	-	-	-	-	-	-	-
Derivative financial instruments and other financial assets (*)	-	-	49,127	-	-	-	-	49,127
Loans granted to customers (*)	15,300	504,703	3,412,328	2,502,755	19,188,652	9,933,555	7,066,461	42,623,754
Debt purchasing (*)	-	-	-	-	-	1,519	-	1,519
Investment securities (*)	-	-	1,176,258	9,169,000	300,000	3,111,843	524,075	14,281,176
Capital contribution, long-term investments (*)	-	-	-	-	-	-	313,374	313,374
Fixed assets and investment properties	-	-	-	-	-	-	196,453	196,453
Others assets (*)	-	-	5,447,636	-	-	-	-	5,447,636
Total Assets	15,300	504,703	24,720,431	11,871,755	19,488,652	13,046,917	8,100,363	77,748,121
Liabilities								
Deposits and borrowings from the State Bank and other credit institutions	-	-	11,399,279	10,011,596	-	5,601	-	21,416,476
Deposits from customers	-	-	13,060,949	7,970,067	23,545,979	2,851,716	-	47,428,711
Derivative financial instruments and other financial liabilities	-	-	-	-	-	-	-	-
Capital financed, entrusted for investment, lent to credit institutions which subject to risks	-	-	21,217	317,247	13,213	447,668	6,546	6,546
Issuance of valuable documents	-	-	1,903,419	-	-	-	450,000	1,249,345
Other liabilities	-	-	26,384,864	18,298,910	23,559,192	3,304,985	456,546	1,903,419
Total liabilities	-	-	(1,664,433)	(6,427,155)	(4,070,540)	9,741,932	7,643,817	72,004,497
Difference of net liquidity	15,300	504,703	26,384,864	18,298,910	23,559,192	3,304,985	456,546	5,743,624

(*) These items do not include the balance of provision for risks.

NOTE TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the fiscal year ended December 31, 2020

Unit: VND

38. Financial risk management (cont.)

38.3 The fair value of financial assets and liabilities

Financial assets and liabilities are stated at original cost less provision of devaluation of assets. Therefore, the book value of financial assets and liabilities of the Bank may be different from their fair value.

At present, the Bank has not determined the fair value of all financial assets and liabilities. The Bank will present the fair value of those assets and liabilities when the authority has given detailed guidance thereon.

Prepared by



NGUYEN HUU CUONG

Accountant



NGUYEN THANH CONG

Ha Noi City, April 13, 2021

Deputy CEO



NGUYEN VAN TRONG