



ANNUAL
REPORT
2023

**GREEN
BANK**



Abbreviations

OCB	Orient Commercial Joint Stock Bank
AGM	Annual General Meeting of Shareholders
BOD	Board of Directors
BOM	Board of Management
LD	Leadership Board
SB	Supervisory Board
INV	Investor
CEO	Chief Executive Officer
IR	Investor Relations
BA	Business Activities
SH	Shareholders
ID	Information Disclosure
M	Member Company
NG	Net Gain
IA	Internal Audit
P	Profit
D	Decree
RES	Resolution
SD	Sustainable Development
DEC	Decision
RM	Risk Management
CG	Corporate Governance
SE	Stock Exchange

CIR	Circular
TA	Total Assets
MEM	Member
EQY	Equity
CC	Charter Capital
VN	Vietnam
AR	Audit Report
FS	Financial Statements
RB	Retail Banking
CIB	Corporate & Institutional Banking
SME	Small and Medium-Sized Enterprises
COM-B	Community Banking
CU	Credit Institution
S	Staff
CB	Commercial Bank
BR/TO	Branch/Transaction Office
CC	Corporate Customer
IC	Individual Customer
CUS	Customer
SBV	State Bank of Vietnam
CR	Credit Risk
ORM	Operational Risk Management
E&S	Environment & Society

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Message of the Chairman of the BOD

“ In 2023, OCB is regarded as one of the limited number of financial institutions that have achieved robust business growth while effectively managing expenses. As 2024 commences, OCB intends to prioritize risk management, asset quality enhancement, and digital transformation initiatives. I am convinced that OCB will accomplish its objective of establishing a financial institution that prioritizes sustainable growth, safety, efficiency, and transparency, thereby creating value for its shareholders, community, and society, through the implementation of consensus and persistent endeavors.

”

Dear our valued Shareholders and Customers,

In-depth macroeconomic reports have issued cautious admonitions regarding the uncertain trajectory of events in 2023 since the conclusion of 2022, when Vietnam's third-quarter growth surpasses 8%, the highest level ever recorded.

Vietnam's economy continues to encounter numerous intricate developments as 2023 commences. These developments stem from “headwinds” such as political conflicts, escalating inflation and interest rates, uncertain consumer sentiment, and more. As a result, economic growth in Vietnam has slowed substantially, at times plummeting to its lowest level in over a decade.

Despite this, Vietnam has had a remarkable year of overcoming obstacles due to the persistent efforts of the government, ministries, and sectors. The State Bank of Vietnam and the government have issued numerous practical, timely, and appropriate directives and policies to expeditiously resolve impasses and assist in the clearing of capital sources, with a particular focus on the banking sector. Additionally, OCB has been aggressive in providing a vast array of appropriate financial products and services while actively implementing a series of programs to support customers, adhering to SBV and government directives.



According to OCB's 2023 business results, all of the bank's primary business activities experienced growth. Achieved a charter capital increase of VND 6,849 billion to VND 20,548 billion, placing the institution formally in the group of private banks with the most charter capital in the system. In 2023, the CIR index (cost/revenue) was 35.5%, placing the bank among the few with a thriving business and effective cost management, a period when the overall business environment for banks throughout the system continues to be fraught with challenges.

In 2023, OCB completed many important projects, such as being the first bank in Vietnam to announce the completion of the implementation and application of the capital management platform according to Advanced Basel II and Basel III; officially moving its Head Office to The Hallmark Building in Ho Chi Minh City and The West in Hanoi according to international standards; declaring a sustainable development strategy, making OCB a pioneering GREEN bank in Vietnam, completing the expansion of 10 branches/transactions, bringing the total number of branches/transactions nationwide to 159 branches/transactions, etc. Accordingly, it has continued to be honored in the Top Strongest Banks Asia Pacific and Top 30 Largest Taxpayers in Vietnam.

It is anticipated that the entire banking system will continue to face significant challenges in 2024, including monetary policy management, bad debt, profit pressure, and liquidity. Given the current state of affairs, Circular 02 has lapsed, and legislation pertaining to credit institutions remains pending. Additionally, the expiration of Resolution 42 significantly complicates debt collection efforts. In the interim, enterprises encounter challenging business environments, with particular challenges confronting the real estate and export sectors. An escalation in bad debt results in a substantial surge in provisioning costs for numerous banks, undeniably impacting their profits. As a result, OCB will be required to increase its operational safety and profitability initiatives. This year, OCB intends to prioritize risk management, enhance asset quality, and advance digital transformation initiatives.

I would like to extend my heartfelt gratitude on behalf of the BOD of OCB to its shareholders, customers, partners, and nearly 7,000 employees across the country for their unwavering support and confidence. Collectively, we construct a banking brand that embodies the following cherished core values: Customer-centered, Striving, Responsible, Innovative, and Teamwork.

It is my conviction that OCB will accomplish its objective of establishing a bank that prioritizes safety, efficiency, and transparency, while also fostering sustainable growth, community engagement, and societal value, through the collaboration of its seasoned management and executive team, the backing of shareholders, customers, and partners, and the diligent work of its personnel, among other things.

Again, I appreciate your assistance and wish you success, good health, and happiness.

Best regards.

CHAIRMAN OF THE BOD



TRINH VAN TUAN

CHAPTER

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GENERAL INFORMATION

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VISION - MISSION - CORE VALUES

VISION

Top 5 Private Commercial Joint Stock
Banks in 2025



MISSION

Aiding businesses, entrepreneurs,
and consumers in Vietnam in the
pursuit of their aspirations and
desires, thereby facilitating the
attainment of the anticipated
expansion and success.





CORE VALUES



CUSTOMER CENTRIC

- We listen, respect and understand our customers.
- We give priority to satisfying customer needs first.
- We are committed to bringing the best solutions and products to customers.



STRIVING

- We are highly focused at work and do our best.
- We are proactive and agile in our work.
- We are resilient in the face of difficulties.



INNOVATIVE

- We are dissatisfied with the status quo and strive to attain novel accomplishments.
- We look for smarter, more effective methods and solutions.
- We look for opportunities, prepare plans, and are ready to adapt to changes.



RESPONSIBLE

- We behave professionally and standardly.
- We dare to make decisions and take responsibility for our actions.
- We maintain trust, and aim for sustainable benefits and values.



TEAMWORK

- We have an attitude of respect and a mindset of mutual success.
- We share and accompany each other.
- We communicate openly, transparently and positively.

GENERAL INFORMATION

ORIENT COMMERCIAL JOINT STOCK BANK

Vietnamese Name	Ngân Hàng TMCP Phương Đông
Name in short	Orient Commercial Bank or OCB
Certificate of Business Registration	0300852005
Stock symbol	OCB
Listing time	January 28 th , 2021
Charter capital	VND 20.548.242.940.000 (As of December 31 st , 2023)
Equity	VND 28.535.703.470.870 VNĐ (As of December 31 st , 2023)
Head office	No. 41 and 45 Le Duan, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam
Phone number	(84) 28. 38220 960
Hotline	1800 6678
Website	http://www.ocb.com.vn

BUSINESS LINES

- Capital mobilization services
- Lending services
- International payment services
- Import and export financing services
- Account services
- Card services
- OCB OMNI services
- Domestic and international fast bank transfer services
- Remittance payment services
- Foreign currency trading services
- Other banking services within the framework of OCB's operation license



OCB
Trust and Prosperity

FORMATION & DEVELOPMENT PROCESS

ORIENT COMMERCIAL JOINT STOCK BANK

Established in 1996, after 27 years of construction and development, OCB has emerged as a leading private bank in Vietnam, renowned for its pioneering role in digital transformation and sustainable development, along with its accelerated growth, safety, and efficiency.

**June 10th,
1996**

Establishment of
Orient Commercial
Joint Stock Bank

2007

Strategic partnership
with BNP Paribas



BNP PARIBAS

2008

Deployment of
24 core bank

2013

- Implementation of self-restructuring project in 2012 - 2015
- Announcement of new brand identity system

2023

- Relocation of the Head Office to **The Hallmark** (Ho Chi Minh City).
- Official **increase in charter capital** to **VND 20,548 billion**, bringing the bank into the **Top 10 private banks** with the largest charter capital in the system.
- OCB - The first bank to complete implementation and application of capital management platform according to **enhanced Basel II and Basel III**.
- Launch of **LIOBANK**, the new generation digital bank.

2021

- OCB was listed on Ho Chi Minh City Stock Exchange (HoSE) on **January 28th, 2021**.
- **Top 25** leading financial brands in Vietnam voted by Forbes.

2022

- **Top 10 Strongest Banks in Vietnam** in the ranking of 500 Strongest Banks in Asia Pacific announced by The Asian Banker.
- Pride of being honored as **Vietnam National Brand 2022**.
- **Top 30 Largest Taxpayers** in Vietnam announced by Forbes.
- Launch of **Unlock Dream Home**, the online home loan platform.

2014

- Raising the risk management system to international standards



2015

- Launch of **Basel II** project under consultation with DBS Singapore



2016

- Growth rate among **the top 3 banks** in the market
- Moody's announced **B2** rating for the first time

2019

Moody's increased Counterparty Risk Assessment (CRA) and Counterparty Risk Rating (CRR) to **Ba3**

2020

- Welcomed Aozora Bank (Japan), the strategic investor.
- Obtained **National Brand Certification**.
- **Top 4 of the 10** most effective commercial joint stock banks in the market.

2017

- Launch of its own brand identity called "**Com-B**" in OCB consumer finance
- The first bank to announce the completion of the **Basel II** implementation project, meeting international standards for risk management

2018

- **March 2018:** Launch of OCB OMNI
- OCB was officially recognized for completing **Basel II**
- Moody's increased credit rating and rating to **B1** for Counterparty Risk Rating (CRR) & deposit rating

TOP 10 EVENTS - HIGHLIGHTS IN 2023



1



OCB INCREASED ITS CHARTER CAPITAL TO VND 20,548 BILLION

OCB increases its charter capital from VND 13,699 billion to VND 20,548 billion in 2023, becoming one of the banks with the most substantial charter capital growth this year and one of the top 10 private banks in the system in terms of charter capital size.

The purpose of this augmentation in charter capital is to facilitate the growth of operational activities, support the ongoing development of service and product systems, enhance financial capabilities, and ensure compliance with regulatory capital adequacy ratio (CAR) requirements.

2



OCB - THE FIRST BANK TO COMPLETE THE IMPLEMENTATION & APPLICATION OF THE ADVANCED BASEL II CAPITAL MANAGEMENT PLATFORM

On April 12, 2023, OCB declared the finalization of the implementation and utilization of the cloud capital calculation platform in accordance with Advanced Basel II (internal ratings-based (IRB) approach). OCB is thus the first financial institution in Vietnam to have complied with all Basel III and Basel II advanced requirements for international risk management standards.

Engaging in this undertaking not only enhances the bank's credit risk management capabilities but also guarantees precise assessment of risk and capital adequacy ratio, thus providing efficient support for business decision-making. Specifically, it unequivocally declares OCB's overarching objective of strengthening its risk management framework, striving for greater openness and accountability, and fortifying its market competitiveness.

3



LAUNCH OF LIOBANK, THE NEW GENERATION DIGITAL BANK

On March 2, 2023, customers were formally introduced to **Liobank, a digital bank of the next generation**. Liobank empowers users to perform a multitude of transactions through its application, including opening multi-purpose accounts, issuing 2-in-1 cards (a hybrid of credit and debit cards), and much more, with a single contact, eliminating the need to visit the transaction counter. This is made possible by the app's user-friendly interface, streamlined procedures, and straightforward operations.

In just 9 months since its inception, the Liobank digital bank has surpassed notable accomplishments, including the distribution and installation of nearly 450,000 customers and 4.6-star ratings on Google Play and the App Store.

4



LAUNCH OF HIGH-END CARD LINE: OCB MASTERCARD WORLD

On October 4, OCB officially launched the new card line **OCB Mastercard World 2in1** - a card line designed specifically for the high-end customer segment.

OCB Mastercard World 2in1, in contrast to other card lines in the same market segment, combines superior technology, unrestricted incentives, and optimal security. The bank intends to promote this strategic product line in the foreseeable future as well.



5



OCB EXPANDED ITS OPERATING NETWORK NATIONWIDE

On October 4, OCB officially launched the new card line OCB Mastercard World - a card line designed specifically for the high-end customer segment.

The authorization granted by the State Bank of Vietnam to OCB for the expansion of its branch/transaction office network signifies favourable evaluations of OCB's managerial capabilities and noteworthy financial performance in recent times.

6



TOP 500 STRONGEST BANKS IN ASIA - PACIFIC

Voted by The Asian Banker



TOP 30 LARGEST TAX PAYING ENTERPRISES IN VIETNAM



VIETNAM VALUE

Voted by the Ministry of Industry and Trade



BEST DIGITAL BANKING BRAND IN VIETNAM 2022

Awarded by Global Brands Magazine

AFFIRMATION OF POSITION WITH A SERIES OF MAJOR DOMESTIC AND INTERNATIONAL AWARDS

2023 is a proud year as OCB is continuously honored at prestigious awards.

In particular, OCB continues to be in the Top 500 Strongest Banks in Asia Pacific, Top 30 Largest Taxpayers in Vietnam, Top 50 Most Valuable Financial Brands in Vietnam, Top 8 Strongest Banking Brands in 2023, and a series of other prestigious domestic and international awards.



7



TO SATISFY THE DEMANDS OF BOTH INDIVIDUAL AND CORPORATE CUSTOMERS, OCB CONSISTENTLY INTRODUCED NEW PRODUCTS

OCB has established distinctive impressions in 2023 with a customer-centric approach by introducing exceptional products and services that are "tailored" to the specific requirements of each customer, including:

- **OCB Speed up:** Maximum support for business owners in attracting customers and saving business costs.
- **Unlock Dream Home** platform on the mobile app: The modern, minimalist design of the app version facilitates an optimal experience for consumers while they search for and borrow funds to purchase a home.
- Deployment of **New Gen OCB OMNI 4.0:** In pursuit of digital transformation and ongoing efforts to enhance customer experience and convenience, OCB has devised a strategy to transition to OCB OMNI version 4.0 New Generation, which is anticipated to be formally released in early 2024.
- **SME GreenBiz:** The first green digital solution package on the market to help businesses save up to 99% on operating fees.

In addition, a number of additional products are included.

8



SIGNING OF COOPERATION AGREEMENTS WITH MANY MAJOR PARTNERS

In 2023, OCB continuously signed strategic cooperation agreements with many partners, such as Backbase, SmartOSC, Sepay, Casso, Viettel Post, Rural Credit Cooperative Complex of Guangxi Zhuang Autonomous Region, China, etc.

By coordinating and optimizing resources through strategic partnerships with significant players in a variety of industries, OCB is able to develop and refine products and services that improve the user experience, increase utility, expand, attract new customers, and retain existing ones.



9



RELOCATION OF HEAD OFFICES IN HO CHI MINH & HANOI

One of OCB's impressive milestones in 2023 is its official transfer of the Head Office to **The Hallmark** (Ho Chi Minh City) and **The West** (Hanoi).

The office of the bank is constructed and developed in accordance with global benchmarks. With a focus on sustainable development, the Head Office in Ho Chi Minh City is housed in a Grade A+ structure that features an abundance of contemporary and upscale services and amenities, fostering a dynamic, innovative work environment.

10



A SERIES OF ACTIVITIES TO CELEBRATE THE 27TH ANNIVERSARY OF THE BANK'S FOUNDING

The **June 10th, 2023** marked the official anniversary of OCB, signifying a journey of growth filled with numerous noteworthy accomplishments.

In conjunction with the commencement of the new operational year, OCB initiated a sequence of customer-oriented promotions and appreciation programs with a combined worth of tens of billions of dong in prizes.

Specifically, an assortment of inclusive events were coordinated, including athletic competitions, cultural presentations, and online quizzes; these initiatives created an appealing and engaging environment for over 6,000 employees across the nation.



CHAPTER

02

CORPERATE
GOVERNANCE

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» GOVERNANCE MODEL

The governance structure of OCB includes the Annual General Meeting, the Board of Directors, the Supervisory Board, the Chief Executive Officer, and the assisting apparatus in accordance with the provisions of the Law on Credit Institutions 2010 and the Law amending and supplementing a number of articles of the 2017 Law on Credit Institutions in Article 32.1 on the governance structure of credit institutions.

The Annual General Meeting, consisting of all voting Shareholders, is the highest decision-making body of the Bank (Article 27.1 of the OCB Charter 2020). The Annual General Meeting decides on the number of members of the Board of Directors and the Supervisory Board, elects, removes, dismisses, additionally elects and replaces members of the Board of Directors and Supervisory Board (Article 27.3.d OCB Charter 2020).

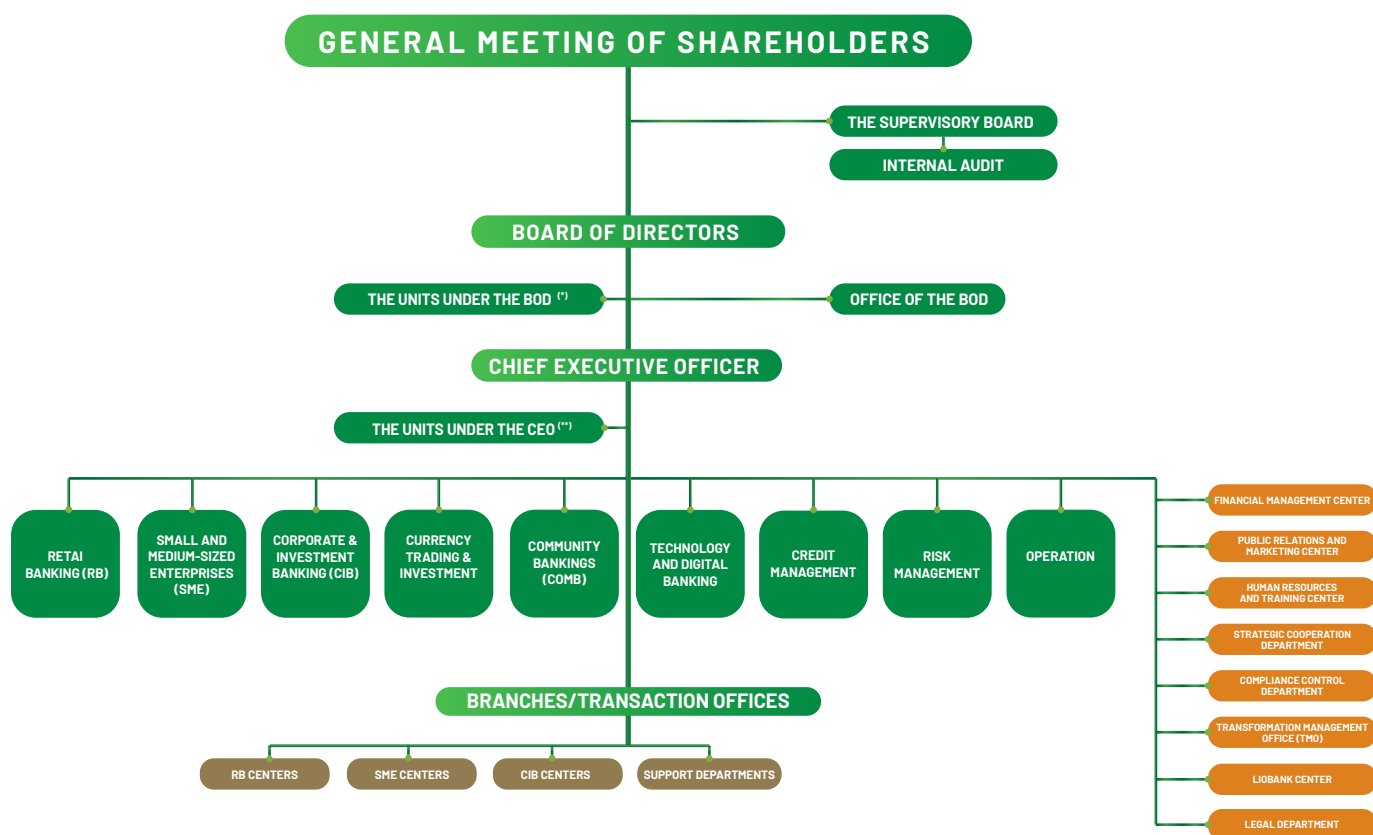
The Board of Directors consists of the following affiliated agencies:

- The BOD Office; the Risk Management Committee, the Human Resources Committee, the Credit Committee, the Risk Settlement Committee, the Loan Restructuring Committee, the Strategic Cooperation Committee, and the Debt Trading Committee.

OCB's operating system includes:

- The head office, branches, transaction offices, representative offices, non-business units, and related companies. The Head Offices include 9 divisions and 8 departments, centers and agencies directly under the Chief Executive Officer.

» ORGANIZATION CHART



* The units under the BOD include the Human Resources Committee, the Risk Management Committee, the Credit Committee, the Risk Handling Committee, the Debt Restructuring Committee, the Strategic Cooperation Committee, the Debt Trading Council, and other units established by the BOD.

** The units under the Chief Executive Officer include the Product Review Council, the Risk Council, the Capital Management Council, the ALCO Council, and other units established by the Chief Executive Officer.

1 Introduction to the Board of Directors

At the start of 2023, the OCB Board of Directors (BOD) comprises 07 individuals, 02 of whom are independent members. OCB incorporated 02 additional members into the BOD for the term of 2020-2025 as of April 28, 2023.

The management work of the bank's BOD members has been conducted in accordance with the tenets of separation between management and operating activities, openness, and transparency.

1	Mr. Trinh Van Tuan	Chairman of the BOD
2	Mr. Ngo Ha Bac	Member of the BOD
3	Ms. Trinh Thi Mai Anh	Member of the BOD
4	Mr. Yoshizawa Toshiki	Member of the BOD
5	Mr. Phan Trung	Member of the BOD
6	Mr. Kato Shin (*)	Member of the BOD
7	Mr. Nguyen Dinh Tung (*)	Member of the BOD
8	Mr. Bui Minh Duc	Independent Member of the BOD
9	Mr. Pham Tri Nguyen	Independent Member of the BOD

** 02 additional members of the BOD were elected on April 28, 2023.*



1 Introduction to the Board of Directors



MR. TRINH VAN TUAN

Chairman of the BOD

- In 1988, he graduated valedictorian from Hanoi University of Science and Technology and moved to the Republic of Poland to pursue his PhD.
- Mr. Trinh Van Tuan is a successful businessman in Vietnam and Poland.
- He joined OCB in August 2010 and was elected Chairman of the Board of Directors for the 2011-2015 term, the 2015-2020 term, and the 2020-2025 term.
- He has 20 years of banking and finance experience and has made significant contributions to strategy formulation and governance, assisting OCB in its rapid growth in recent years.

1 Introduction to the Board of Directors



MR. NGO HA BAC

Member of the BOD
in 2020 - 2025

- He graduated from the Republic of Poland with a PhD in electronic protection technology.
- He was elected to the OCB Board of Directors as an independent member for the 2011-2015 term; Member of the Board of Directors for the 2015-2020 term; and continued to be elected to the OCB Board of Directors for the 2020-2025 period.
- He has held a variety of positions in businesses, including Chairman of the Board of Directors (LBT Company in Warsaw, Poland), Member, and Head of the Management Board to oversee the BOD of VIS's commercial activities.



MS. TRINH THI MAI ANH

Member of the BOD
in 2020 - 2025

- She graduated with a Bachelor of Science – London School of Economics and Political Science (UK).
- She was elected as a member of the Board of Directors of OCB for the 2020-2025 term.
- She has many years of experience in the field of Finance at large domestic and foreign enterprises and organizations, such as HSBC London Bank, VinaCapital Group and Temasek Group.

>> CORPORATE GOVERNANCE

1 Introduction to the Board of Directors



MR. YOSHIZAWA TOSHIKI

Member of the BOD
in 2020 - 2025

- He graduated with a Bachelor of Laws from Waseda University, Tokyo.
- He was elected as a member of the Board of Directors of OCB for the 2020-2025 term.
- He has more than 31 years of experience in the field of Finance. He is currently the General Manager at Aozora Bank from 2018 to present.



MR. PHAN TRUNG

Member of the BOD
in 2020 - 2025

- He holds a Master's degree in Business Administration from Asia E University (Malaysia) and a Bachelor's degree in Business Administration from the University of Commerce.
- He was elected to the OCB's BOD for the 2011-2015 term; Member of the BOD for the 2015-2020 term; and will continue to serve on the OCB's BOD for the 2020-2025 period.
- He has 20 years of experience in the workforce and has held numerous key positions in businesses and organizations. He is the Vice Chairman of the BOD of Romana & Spa Investment Company - Phan Thiet and the General Director of An Huy Investment Company Limited at the moment.

1 Introduction to the Board of Directors



MR. KATO SHIN

Member of the BOD
in 2020 - 2025

- He graduated with a Bachelor of Commerce degree from Keio University, Tokyo.
- He was elected as a member of the BOD of OCB for the 2020- 2025 term on April 28, 2023.
- He has more than 30 years of experience in the fields of finance and banking. He is currently the Head of the Asia Investment Division, and Head of the Asia-Pacific Department at Aozora Bank. He previously held other positions at Azure Bank, such as Deputy Head of the Asia Investment Division; Head of Asia Business Solutions; Co-Head of the M&A Consulting Department; Seconded Staff, and Employee of the Corporate Investment Department. He previously held the positions of General Director and Chairman of the BOD at Arise Capital Partners, Inc.



MR. NGUYEN DINH TUNG

Member of the BOD
in 2020 - 2025

- He graduated with an MBA degree from Maastricht University, the Netherlands.
- He was elected as a member of the BOD of OCB for the 2020 - 2025 term on April 28, 2024.
- He has more than 30 years of experience working in the Finance and Banking industries in Vietnam and abroad. He previously held the following positions: Deputy General Director, in charge of business at Vietnam Maritime Commercial Joint Stock Bank, from May 2009 to April 2012; he also held the positions of Permanent Vice Chairman of the BOD of Mekong Bank; Country Head of ING Private Banking, Singapore; Deputy General Director, in charge of Corporate Customer Division, Vietnam International Commercial Joint Stock Bank; and many other important positions.

1 Introduction to the Board of Directors



MR. BUI MINH DUC

Independent Member of the BOD
in 2020-2025

- He earned a Bachelor's degree in Finance and Accounting with a major in Commercial Accounting from the University of Finance and Accounting.
- He serves as an independent member of the Board of Directors from June 30, 2020 to June 30, 2025.

He has more than 32 years of experience in Vietnam, holding positions such as Deputy General Director of the Vietnam National Tobacco Corporation (Vinataba), Director of the Tobacco Trading Company, Chief Accountant of the Seafood Import-Export Company, and Marketing Manager of the Vinh Hoi Tobacco Factory.



MR. PHAM TRI NGUYEN

Independent Member of the BOD
in 2020-2025

- He earned a Bachelor's degree in Quantitative Economics and Management from George Washington University (GWU) and a Master's degree in finance and investment from Catholic University of America (CUA).
- He was elected to the OCB Board of Directors for the 2020-2025 term.
- He has more than 36 years of finance experience and has held key roles at international organizations such as the World Bank (IBRD) and the International Finance Corporation. From 2007 to 2014, he served as General Director of Deutsche Bank (DB) AG, Vietnam, and from 2014 to 2017, he served as Vice President of Bitexco Group Co., Ltd. From 2018 to the present, he has served as the Chairman of Vnexus Capital Advisors Co., Ltd.

② Introduction to the Supervisory Board

The Supervisory Board for the term 2020 - 2025 was elected by the General Meeting of Shareholders on June 30, 2020. The members of the Supervisory Board also elected the Head of the Board on the same day.

1	Ms. Nguyen Thi Thuy Minh	Head of the SB
2	Mr. Pham Quang Vinh	Member of the SB
3	Ms. Dang Thi Quy	Full-time member of the SB



② Introduction to the Supervisory Board



MS. NGUYEN THI THUY MINH

Head of the Supervisory Board

- She graduated with a Bachelor of Economics from the University of Economics in Ho Chi Minh City.
- She was elected the Head of the SB of OCB for the 2020 - 2025 term.
- She has more than 17 years working at OCB with many important positions such as Head of Accounting Department, Chief Accountant.



MR. PHAM QUANG VINH

Member of the Supervisory Board

- National Economics University awarded him a Bachelor of Economics degree.
- For the year 2020-2025, he was elected to the SB of OCB.
- He has almost 13 years of experience as a member of the SB, the head of the SB of VIB, and the head of the SB of VIS. He was a member of the BOD of OCB from November 2014 to November 2015, and a member of the SB of OCB from 2015 to 2020.



MS. DANG THI QUY

Full-time Member of the SB

- She earned a bachelor's degree in economics from the University of Economics in Ho Chi Minh City.
- She was appointed to the SB of OCB for the period 2020-2025.
- She previously worked at different credit institutions as the Head of the SB of HD Bank, the Head of the SB of South Techcombank, and the Deputy Head of the Credit Department of VietinBank. She previously served on the SB of OCB as a full-time member from 2011 to 2015 and again from 2015 to 2020

3 Introduction to the Board of Management

The Board of Management consists of the Chief Executive Officer, 05 Deputy General Directors, 07 Division Directors responsible for implementing the business strategies set by the BOD, managing and solving the bank's daily affairs. The Board of General Director manages the following business divisions, namely the Retail Banking, Corporate & Institutional Banking, Small and Medium Enterprises, Treasury and Insitutional Banking, Finance Division, Risk Management Division, Technology and Digital Banking, Departments, Boards, Centers under the Chief Executive Officer and Branches and Transaction Offices.

1	Mr. Nguyen Dinh Tung	Chief Executive Officer
2	Mr. Truong Dinh Long	Deputy General Director
3	Mr. Nguyen Van Huong	Deputy General Director
4	Mr. Bui Thanh Trung	Deputy General Director
5	Mr. Huynh Le Mai	Deputy General Director
6	Mr. Truong Thanh Nam	Deputy General Director
7	Mr. Nguyen Ba Ngoc	Head of Corporate Banking and Investment Banking (CIB)
8	Mr. Le Dang Khoa	Head of Small and Medium Enterprises Division
9	Mr. Le Thanh Quy Ngoc	Head of Risk Management Division
10	Mr. Luong Tuan Thanh	Chief Information Officer (CIO)
11	Mr. Doan Ha Tuyen	Head of Credit Management Division
12	Mr. Ngo Binh Nguyen	Chief Strategy Officer
13	Mr. Nguyen Van Cuong	Chief Financial Officer

Changes in personnel of the Board of Management in 2023

Removed	Elected
N/A	Mr. Nguyen Van Cuong Appointed to the position of Chief Financial Officer on September 18, 2023.
	Mr. Luong Tuan Thanh Appointed to the position of Chief Information Officer on October 9, 2023.
	Mr. Le Dang Khoa Appointed to the Head of Small and Medium Enterprises Division in December 2023.

3 Introduction to the Board of Management



MR. NGUYEN DINH TUNG

General Director

- Since August 24, 2012, Mr. Nguyen Dinh Tung has been the Chief Executive Officer of Orient Commercial Joint Stock Bank.
- He earned a master's degree in business administration from Maastricht University in the Netherlands.
- He has worked in the finance and banking industries in Vietnam and abroad for over 20 years. He previously worked in the following positions: From May 2009 to April 2012, he was the Deputy General Director in charge of sales at Vietnam Maritime Commercial Joint Stock Bank. He also served as the Standing Vice Chairman of the Board of Directors of Mekong Bank; Country Director of ING Private Banking, Singapore; Deputy General Director in charge of Corporate & Investment Banking at Vietnam International Commercial Joint Stock Bank; and many other important positions.

3 Introduction to the Board of Management



MR. TRUONG DINH LONG

Deputy General Director
in charge of Operation Division

- Since March 2007, Mr. Truong Dinh Long has served as the Orient Commercial Joint Stock Bank's Deputy General Director.
- He holds a master's degree in business administration.
- Since the beginning of his career, Mr. Long has worked for OCB.



MR. NGUYEN VAN HUONG

Deputy General Director
in charge of Retail Banking Division

- Mr. Nguyen Van Huong has been appointed as the Deputy General Director of Orient Commercial Joint Stock Bank since December 2022.
- He graduated with a Master of Business Administration, National Economics University.
- He has more than 20 years of experience in banking and finance and has held positions, such as the Deputy General Director of the Retail Banking, the Northern Branch Manager, the Direct Sales Channel Manager, the Regional Manager, the Manager of Ngo Quyen Branch, the Head of the Corporate Customer Development Department (Vietnam Prosperity Joint Stock Commercial Bank), and many other important positions.

3 Introduction to the Board of Management



MR. BUI THANH TRUNG

Deputy General Director in charge of
Treasury and Institutional Banking Division

- Mr. Bui Thanh Trung has been appointed as Deputy General Director in charge of Treasury and Institutional Banking since July 2022.
- He graduated with a Bachelor's Degree in Foreign Economics from Foreign Trade University.
- He has more than 20 years of experience in the banking and finance industry. He has held many senior positions at domestic and international banks.



MS. HUYNH LE MAI

Deputy General Director

- Ms. Huynh Le Mai has been appointed to the position of Deputy General Director of Orient Commercial Joint Stock Bank since November 2013.
- She graduated with a Master of Business Administration from Vietnam National University, Hanoi in association with Griggs University; Bachelor of Business Administration from Ho Chi Minh City Open University; Bachelor of Foreign Languages from Can Tho University.
- She has worked in the banking and finance industry for over 15 years and held many important positions.

3 Introduction to the Board of Management



MR. TRUONG THANH NAM

Deputy General Director

- Mr. Truong Thanh Nam has been appointed as Deputy General Director of Orient Commercial Joint Stock Bank since May 2010.
- He graduated with a Bachelor of Laws, a Bachelor of Banking and Finance.
- With more than 25 years of experience in the banking industry, he has held many important positions at Bank for Industry and Trade and Asia.
- In 2003, he was appointed as Deputy Director of Trung Viet Branch of Orient Commercial Joint Stock Bank. Then was the Director of Trung Viet Branch of Orient Commercial Joint Stock Bank.



MR. NGUYEN BA NGOC

Head of Corporate Banking and Investment Banking

- Mr. Nguyen Ba Ngoc has been appointed as Head of Corporate Banking and Investment Banking under Orient Commercial Joint Stock Bank since March 2023.
- He graduated with a Master's in Business Administration.
- He has many years of experience and has held important positions in the fields of finance and banking.

» CORPERATE GOVERNANCE

3 Introduction to the Board of Management



MR. LE DANG KHOA

Head of Small and Medium Enterprises Division

- Mr. Le Dang Khoa was appointed as Head of Small and Medium Enterprises Division of Orient Commercial Joint Stock Bank from December 2021.
- He graduated with a Bachelor's degree in Finance and Credit from the Banking University of Ho Chi Minh City.
- He used to hold important positions in some financial institutions.



MR. LE THANH QUY NGOC

Head of Risk Management Division

- Mr. Le Thanh Quy Ngoc was appointed as Head of Risk Management Division of Orient Commercial Joint Stock Bank from July 2022.
- He graduated with an Executive Master of Business Administration from RMIT University Vietnam.
- He used to hold important positions at domestic and international financial institutions.

3 Introduction to the Board of Management



MR. LUONG TUAN THANH

Chief Information Officer

- Mr. Luong Tuan Thanh was appointed as Chief Information Officer (CIO) on October 9, 2023.
- He graduated with a Master's degree in Business Administration from the National University of Singapore.
- He has many years of experience in information technology and has held many senior positions at many domestic and international organizations.



MR. DOAN HA TUYEN

Head of Credit Management Division

- Mr. Doan Ha Tuyen was appointed as Head of Credit Management Division at Orient Commercial Joint Stock Bank in December 2021.
 - He graduated with a Bachelor's degree in Banking and Finance from Hanoi National Economics University.
- He used to hold important positions at OCB and other financial institutions.

» CORPERATE GOVERNANCE

3 Introduction to the Board of Management



MR. NGO BINH NGUYEN

Chief Strategy Officer

- Mr. Ngo Binh Nguyen was appointed to the position of Chief Strategy Officer of Orient Commercial Joint Stock Bank on December 2023.
 - He graduated with a Master's degree in Finance and Banking from the University of Portsmouth (UK).
- He has many years of experience in the field of Banking and Finance and has held many positions at other credit institutions.



MR. NGUYEN VAN CUONG

Chief Financial Officer

- Effective September 18, 2023, Mr. Nguyen Van Cuong assumed the role of Chief Financial Officer.
- He graduated with a Master's degree in Finance and Banking from Paris Dauphine University and ESCP Europe.
- He has many years of experience in the financial sector, having held many senior positions at domestic and foreign organizations.

>> CORPORATE GOVERNANCE

④ Subsidiaries and Affiliates



Subsidiaries

Orient Commercial Bank International Money Transfer Limited Company



Address

11th Floor, Building 123, No. 123 - 127 Vo Van Tan,
Ward 06, District 3, Ho Chi Minh City



Business lines

Foreign currency receipt
and payment services



Charter Capital

VND 25 billion









OCB's ownership ratio

100,00%

5 List of key technology projects

No.	Project	Description	Benefits	Status
1	UDH P2: Mobile app development for the UDH platform	Upgrade and expansion of the features of the UDH platform and deployment of a mobile version for brokers and RMs.	Increased labor productivity & Reduced operational risks	Completed 
2	IGEN Card	Deployment of virtual card products on the Omni channel.	Increase in products, services and utilities provided to customers	Completed 
3	Centralized tax accounting	Upgrading related systems to deploy a centralized accounting model to increase operational efficiency and overall management efficiency.	Increased labor productivity & Reduced operational risks	Completed 
4	Credit Card Web/App	Digitalization of credit card approval and issuance activities - application of OCR and e-contract to increase operational efficiency, speed up document processing for customers, and reduce operational errors.	Increase in products, services and utilities provided to customers	Completed 
5	Google Pay and Apple Pay alignment	Payment connection with Google and Apple, increasing payment channels for customers.	Increase in products, services and utilities provided to customers	Completed 
6	PDTD (SK 1-2-7) improvement project	Digitalization of credit-granting activities from loan origination, valuation, CIC checks, to loan approval aims in order to increase operational efficiency, speed up document processing for customers, and reduce operational errors.	Increased labor productivity & Reduced operational risks	Completed 
7	AML software	New implementation of the transaction control system meets the requirements of anti-money laundering and is comprehensively applied to counters, online channels, and other types of operations that need to be controlled, increasing administrative capacity and competitiveness.	Increased labor productivity & Reduced operational risks	Completed 

» CORPERATE GOVERNANCE

No.	Project	Description	Benefits	Status
8	Applying population data, identification and electronic authentication in some banking activities	Upgrading related systems to deploy population data, identification, and electronic authentication applications in on boarding transactions, transactions at the counter, Omni, and Card channels to increase the convenience provided to customers and increase transaction safety.	Increased labor productivity & Reduced operational risks	Completed 
9	Fraud management system construction	Deployment of a fraud detection/monitoring system for card and online transactions to increase the level of safety in transactions.	Increased labor productivity & Reduced operational risks	Completed 
10	Project of Opening Online Corporate Customer Account (eKYC)	Implementation of an online account opening service for customers increases customer convenience, thereby increasing new customers and revenue.	Increase in products, services and utilities provided to customers	Completed 
11	Early Debt Warning System (EWS) Project	Implementation of the system allows early debt warnings to help specialized units have timely and effective treatment plans/measures	Increase in monitoring and risk management capacity, ensuring transaction safety	Completed 
12	OMNI CORP App project (Phase 2)	Upgrading/additional services and utilities for business customers to increase the attraction of new customers, retain existing ones, thereby increasing revenue and service fees.	Increase in products, services and utilities provided to customers	Completed 
13	New reporting system in compliance with Circular 11	Implementation of the new SBV reporting system to replace the reporting system according to Circular 11.	Demonstrating adherence to the statistical reporting regime of the State Bank of Vietnam	Completed 

» CORPERATE GOVERNANCE

No.	Project	Description	Benefits	Status
14	Credit service cluster 2023	Upgrading related systems to implement the credit service cluster model to increase operational efficiency and speed up disbursement processing.	Increased labor productivity & Reduced operational risks	Completed 
15	New deployment of Omni MPV1 platform	Deployment of the new Omni platform 4.0 that allows (1) to optimize services provided to customers in terms of experience and transaction processing speed; (2) to quickly deploy new products and services.	Increase in products, services and utilities provided to customers	Completed 
16	Management system to monitor fixed assets and tools	Upgrading and renewing the fixed asset management system helps further increase the efficiency of fixed asset and tool management, increase operational efficiency, and reduce operating costs.	Increased labor productivity & Reduced operational risks	Completed 
17	Payment Platform - Banking Hub	Implementation of the payment platform provides businesses with the ability to rapidly expand their customer base and increase transaction volume, revenue, and deposit balances.	Increase in products, services and utilities provided to customers	Completed MPV1 
18	GREEN Project	System deployment helps optimize customer transaction activities at the counter to increase customer experience (fast, neat, accurate transactions), increase operational efficiency (few operations, high automation, accuracy), and reduce operating costs (reduce printed paperwork).	Increased labor productivity & Reduced operational risks	In progress Expected Completion: March 2024
19	Upgrading the Valuation system	Improvement of existing features/addition of new features to support collateral valuation activities to increase operational efficiency and speed up document processing	Increased labor productivity & Reduced operational risks	In progress Expected completion of MPV1: March 2024

6 Rights and responsibilities of shareholders

Shareholders' Rights

- In 2023, OCB seriously implemented all shareholders' rights as prescribed in Article 25 - OCB Charter and relevant legal regulations.
- At the 2022 Annual General Meeting of Shareholders held on April 28, 2023, all shareholders were guaranteed the right to attend, vote, and contribute opinions at the meeting or send letters to the Organizing Committee. All OCB shareholders were treated fairly and had access to full information in accordance with the law.
- At this meeting, the General Meeting of Shareholders approved the 2022 Operation Evaluatin Report, approved the profit distribution plan and fund appropriation for 2022, and, at the same time, trusted the BOD and the BOM to specifically implement the Bank's business plans in 2023.

Communication with Shareholders

- In addition to addressing inquiries and apprehensions of shareholders during the AGM for fiscal year 2022, which took place on April 28, 2023, in 2023, through Investor Relations (IR) activities, the business progressively consolidated and broadened information dissemination channels for shareholders via investor contact events and the dissemination of IR documents/publications.
- OCB additionally addressed shareholder concerns regarding dividends, share issuance, financial information, and procedures pertaining to shareholders' rights, among other matters, through phone and email correspondence. OCB directed its efforts towards enhancing the informational offerings to shareholders through the Investor section (www.ocb.com.vn). OCB will consistently promote investor relations activities and stock management in 2024, in support of the results attained, in order to reaffirm the market dominance of OCB shares and function as a conduit to the investor community for information.



7 Information on shares and shareholders structure

Shares



Number of shares of OCB:
2.054.824.294 shares



Number of shares outstanding:
2.054.824.294 shares



Number of shares restricted from transfer:
526.367.908 shares



Number of treasury shares: 0 shares



In 2023, OCB had no treasury stock transactions

Shareholder structure

Based on the Depository Center's list as of December 31, 2023

Shareholder structure based on ownership ratio criteria	Number of shares	Share ratio (%)
According to ownership ratio criteria (major shareholders and small shareholders)		
Major shareholders	308.223.660	15,0%
Small shareholders	1.746.600.634	85,0%
According to the criteria of individual shareholders and institutional shareholders		
Individual shareholders	999.727.132	48,65%
Institutional shareholders	1.055.097.162	51,35%
According to criteria of domestic shareholders and foreign shareholders* (*)		
Domestic shareholders	1.615.721.280	78,63%
Foreign shareholders	439.103.014	21,37%
According to the criteria of State shareholders and other shareholders		
State shareholders	176.991.211	8,61%
Other shareholders	1.877.833.083	91,39%

* The maximum foreign ownership ratio at Orient Commercial Joint Stock Bank is at 22%.

8 Share ownership ratio of insiders

Share ownership ratio of insiders as of December 31, 2023

No.	Full name	Position at the Bank	Number of shares held	Ownership ratio (%)
	Individuals who are members of the BOD		217.772.410	10,598
1	Trinh Van Tuan	Chairman of the BOD	91.117.321	4,434
2	Trinh Thi Mai Anh	Member of the BOD	60.424.065	2,941
3	Ngo Ha Bac	Member of the BOD	12.877.255	0,627
4	Phan Trung	Member of the BOD	52.524.266	2,556
5	Yoshizawa Toshiki	Member of the BOD	0	0,000
6	Kato Shin	Member of the BOD	0	0,000
7	Nguyen Dinh Tung	Member of the BOD	829.503	0,040
8	Bui Minh Duc	Independent Member of the BOD	0	0,000
9	Pham Tri Nguyen	Independent Member of the BOD	0	0,000
	Individuals who are members of the SB		182.832	0,009
1	Nguyen Thi Thuy Minh	Head of the SB	182.832	0,009
2	Pham Quang Vinh	Member of the SB	-	0,000
3	Dang Thi Quy	Member of the SB	-	0,000
	Individuals who are members of the BOM		1.534.645	0,074
1	Nguyen Dinh Tung	Chief Executive Officer	829.503	0,040
2	Truong Dinh Long	Deputy General Director	412.642	0,020
3	Huynh Le Mai	Deputy General Director	168.750	0,008
4	Truong Thanh Nam	Deputy General Director	123.750	0,006
5	Bui Thanh Trung	Deputy General Director	0	0,000
6	Nguyen Van Huong	Deputy General Director	0	0,000
7	Nguyen Van Cuong	Chief Financial Officer	0	0,000
	Person in charge of corporate governance		412.642	0,020
1	Truong Dinh Long	Person in charge of internal governance	412.642	0,020
	TOTAL		218.660.384	10,641

*Chief Accountant: currently vacant

9 Changes in owner's equity

Information on share capital increases since establishment

(Unit: VND million)

Year	Phase	Capital value before issuance	Increases in Capital Value	Charter capital level after increase	Form of capital increase and object	Approval agency
1996	-	-	70.000	70.000	Establishment Capital Contribution	SBV and D.P.I. HCMC
2003	1	70.000	23.736	93.736	Issuance to existing shareholders	SBV; D.P.I. HCMC and AGM
	2	93.736	7.615	101.351	Issuance of shares to merge with Tay Do Branch under Vietnam Bank for Agriculture and Rural Development	SBV; D.P.I. HCMC and AGM
2004	3	101.351	35.779	137.130	Issuance to existing shareholders	SBV; D.P.I. HCMC and AGM
	4	137.130	62.870	200.000	Issuance to existing shareholders	SBV, D.P.I. HCMC and AGM
2005	5	200.000	100.000	300.000	Issuance to existing shareholders	SBV, D.P.I. HCMC and AGM
2006	6	300.000	267.000	567.000	Issuance of bonus shares to existing shareholders, offering shares to existing shareholders and employees and private placement	SBV, D.P.I. HCMC and AGM
2007	7	567.000	544.111	1.111.111	Issuance of bonus shares to existing shareholders, offering of shares to existing shareholders and employees and private placement	SBV; D.P.I. HCMC and AGM

Year	Phase	Capital value before issuance	Increases in Capital Value	Charter capital level after increase	Form of capital increase and object	Approval agency
2008	8	1.111.111	363.366	1.474.477	Issuance to existing shareholders	SBV; D.P.I. HCMC and AGM
2009	9	1.474.477	525.523	2.000.000	Issuance to existing shareholders; Private placement for strategic shareholder PNB Paribas.	SSC, SBV, D.P.I. HCMC and AGM
2010	10	2.000.000	635.000	2.635.000	Issuance of bonus shares to existing shareholders; offering shares to existing shareholders and private placement to strategic shareholder PNB Paribas	SBV, SSC, D.P.I. HCMC and AGM
2011	11	2.635.000	365.000	3.000.000	Private placement for strategic shareholder PNB Paribas	SBV, SSC, D.P.I. HCMC and AGM
2012	12	3.000.000	234.000	3.234.000	Issuance of bonus shares to existing shareholders and issuance of shares to pay dividends	SBV, SSC, D.P.I. HCMC and AGM
2014	13	3.234.000	313.148	3.547.148	Issuance of bonus shares to existing shareholders	SBV, SSC, D.P.I. HCMC and AGM
2016	14	3.547.148	452.852	4.000.000	Issuance of bonus shares to existing shareholders and issuance of individual shares	SBV, SSC, D.P.I. HCMC and AGM

Year	Phase	Capital value before issuance	Increases in Capital Value	Charter capital level after increase	Form of capital increase and object	Approval agency
2017	15	4.000.000	1.000.000	5.000.000	Issuance of bonus shares to existing shareholders and private placement	SSC; SBV; D.P.I. HCMC and AGM
2018	16	5.000.000	1.599.211	6.599.211	Issuance of shares to pay dividends and issuance to existing shareholders	SSC; SBV, D.P.I. HCMC and AGM
2019	17	6.599.211	1.299.360	7.898.571	Issuance of shares to pay dividends	SSC; SBV, D.P.I. HCMC and AGM
2020	18	7.898.571	3.060.493	10.959.063	Issuance of shares to pay dividends and private placement to Aozora Bank (Japan)	SBV, SSC, D.P.I. HCMC and AGM
2021	19	10.959.063	2.739.766	13.698.829	Issuance of shares to pay dividends	SSC; SBV, D.P.I. HCMC and AGM
2023	20	13.698.829	6.849.414	20.548.243	Issuance of shares to existing shareholders from equity capital	SSC; SBV, D.P.I. HCMC and AGM

Share transactions of internal shareholders and related people:

Share transactions by internal shareholders: not arising

Share transactions of related persons of internal shareholders:

Transaction	Number of Transactions	Transaction volume
Buying	0	0 share
Selling	4	1.700.000 shares
Total	4	1.700.000 shares

10 Report on remuneration, bonuses and other expenses in 2023

As of December 31, 2023, remuneration, bonuses and other expenses actually paid to members of the BOD and members of the SB are as follows:

(Unit: VND)

Object	Remuneration, bonuses	Other expenses	Total
BOD	23.345.874.000	3.794.067.513	27.139.941.513
SB	2.529.540.000	788.909.189	3.318.449.189
Total	25.875.414.000	4.582.976.702	30.458.390.702



CHAPTER

03

REPORT ON PERFORMANCE

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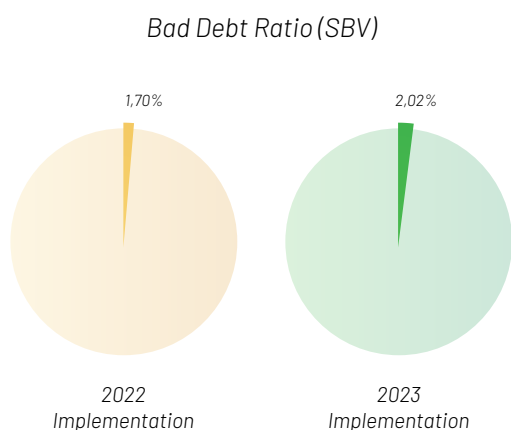
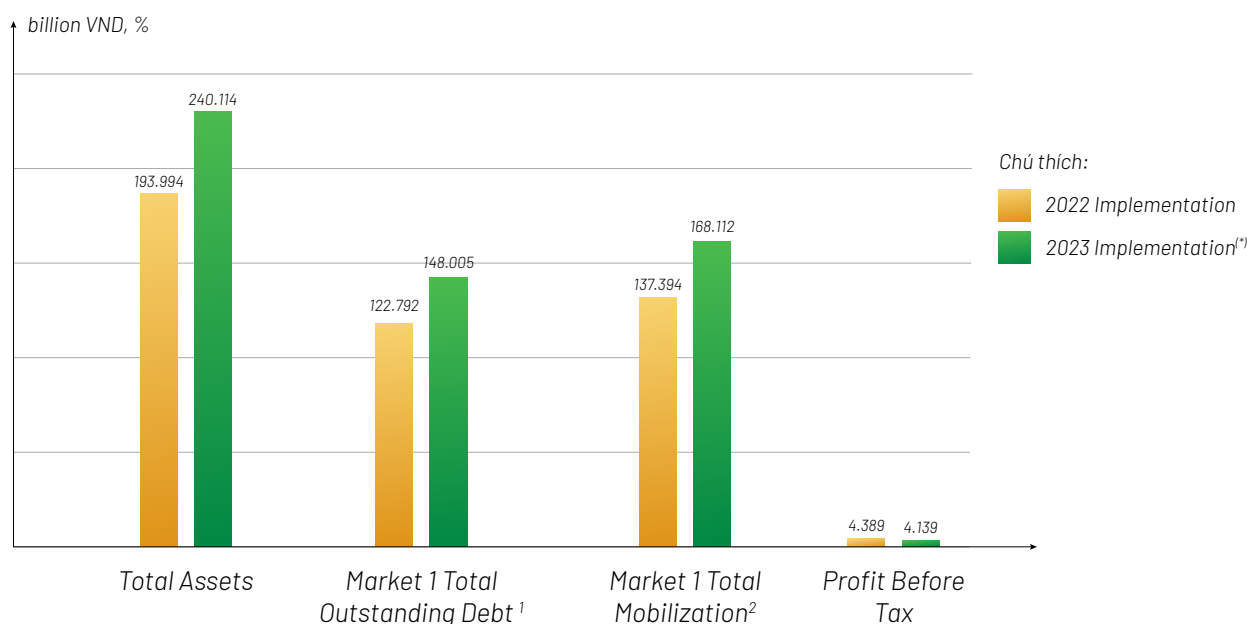
2023 PERFORMANCE

1 Business results

The global macroeconomic scene experienced numerous intricate fluctuations in 2023. Lacking differentiation from the prevailing global trend, Vietnam's economy followed suit and encountered numerous challenges. Confronting external challenges such as escalating geopolitical tensions, the implementation of tighter monetary policies by several major central banks to curb inflation, and a decline in global aggregate demand, in addition to internal factors including subpar consumption and retail growth, weak import and export performance, and a subsequent lack of activity in the real estate sector, resulted in Vietnam's GDP growth in 2023 amounting to a mere 5.05%, which fell short of the target established by the government in advance of the year. Amid adverse economic developments, the banking sector experienced a decline in overall capital absorption and a general upward trend in the problematic debt ratio during the corresponding time frame.

OCB continued to record robust growth in Total Assets, Market 1 Credit, and Market 1 Mobilization despite the adverse macro environment; enforce limits and ratios to ensure the security of banking operations; and maintain asset quality control.

The results of implementing basic business targets for 2023 are as follows



Target	% increase/decrease compared to 2022	% compared to the 2023 plan
Total Assets	▲ 24%	99%
Market 1 Total Outstanding Debt ¹	▲ 20,53%	100%
Market 1 Total Mobilization ²	▲ 22%	97%
Profit Before Tax	▼ 6%	69%
Bad Debt Ratio		Đạt

(*) 2023 Implementation Data are recorded according to 2023 Consolidated Financial Statements (post audit)

¹ Total Market 1 Outstanding Debt includes Loans to customers; Corporate bonds; Debt purchasing.

² Total Market 1 Mobilization includes Customer deposits; Valuable papers; Funding - entrusted capital.

Some financial metrics of OCB in 2022 - 2023

Unit: Billion VND

Target	2022 Implementation	2023 Implementation	Notes
Capital size			
Charter capital	13.699	20.548	Consolidated Financial Statements
Equity	25.272	28.536	Consolidated Financial Statements
Total assets	193.994	240.114	Consolidated Financial Statements
Capital adequacy ratio	12,84%	13,30%	Consolidated CAR
Business results			
Profit before tax	4.389	4.139	Consolidated Financial Statements
Deposit balance	137.394	168.112	Including customer deposits, securities, and investment trusts
Loan balance	122.792	148.005	Including customer loans, debt purchases & corporate bonds
Debt collection revenue	84.910	93.655	Consolidated Financial Statements
Overdue	5.705	7.114	Debt group 2, 3,4, 5
Doubtful loan	2.671	3.975	Bad debt group 3, 4, 5
Ratio of overdue guaranteed loan/ Total guaranteed loan	3,84%	3,73%	Consolidated Financial Statements
Ratio of overdue debt/ Total debt	4,65%	3,61%	Ratio of loan buckets 2, 3, 4, 5/ Total assets
Ratio of doubtful loan/ Total debt	2,18%	2,02%	Ratio of loan buckets 2, 3, 4, 5/ Total assets
Liquidity			
Liquidity reserve ratio	19,77%	20,35%	Consolidated Financial Statements
30-day affordability ratio_VND	90,30%	80,07%	Consolidated Financial Statements
30-day affordability ratio_USD	Unarisen	Unarisen	Consolidated Financial Statements
Dividend	0%	0%	
EPS (VND)	1.689	1.594	

1.1 Various preferential credit packages to better assist customers



In 2023, OCB achieved remarkable credit growth by implementing the appropriate strategy in an environment of low credit demand, adapting/changing products to suit the market, and balancing the interests of customers and the Bank. In an effort to diversify and optimize portfolio efficiency for sustainable growth, OCB redirected its loan emphasis for CCs toward priority industries, public investment, and a decrease in the number of high-risk businesses. Credit cards, consumer loans with collateral, and production and business loans are some of the excellent products that OCB highlights for ICs, along with the requirement for solid, secure development.

The Bank has implemented numerous preferential credit packages featuring low interest rates to assist businesses and individuals in surmounting challenging circumstances, in addition to debt restructuring measures such as production and business loans with annual interest rates starting at a mere 5.2%; preferential loans designed to address housing needs with interest rates starting at a mere 6.49%; and the Easy Loan product, which boasts a swift approval process and a 1-2% reduction in interest rates compared to standard interest rates. As a result, it received positive feedback from customers, stimulating credit growth that exceeded the industry mean of 13.7%. Although these customer support measures had a short-term impact on NIM, they also presented OCB with opportunities to acquire more prospective customers, thereby fostering the Bank's long-term expansion.

1.2 Acceleration in Market 1 Capital Mobilization



Capital Mobilization in Market 1 surpassed VND 168 trillion, a 22% increase during the same period. Customer Deposits, Trusted Investment Capital, and Valuable Paper Issuance and Funding from international financial institutions all contribute to robust expansion. In particular, customer deposits increased by 23% to VND 126 trillion, while IC mobilization increased by 27%. This indicates that OCB has made strides in brand recognition, thereby reaffirming the institution's market safety and reputation. OCB consolidated its medium- and long-term capital sources with the assistance of foreign financial institutions such as IFC, DEG, and others, with whom it strengthened cooperation throughout the year. Funding and entrusted capital reached VND 4,358 billion as of December 31, 2023, representing a 38% increase compared to the end of 2022.

1.3 Information Technology and Digital Banking Activities:

In 2023, OCB reallocated 20% of its information technology workforce towards project development and implementation, in alignment with the digital transformation strategy. This was achieved through the restructuring of the Technology and Digital Transformation Division, which was established to cater to the demands of the Bank's financial service product expansion, development, and operation.

The Bank concluded its investment in 2023 and implemented industry-leading, contemporary solutions, such as:

- Oracle Financial Crime and Compliance Management, a project that prevents crime, financial fraud & money laundering
- IBM Safer Payment, a project that prevents, monitors, and manages multi-channel transaction fraud
- A project that transforms the OCB OMNI digital banking technology platform through a digital banking solution with the most advanced technology and experience today, the Backbase Digital Banking Platform.

Furthermore, compared to the start of the year, the number of transactions and customers utilizing the OCB OMNI digital banking channel increased by more than 30% and 100%, respectively, by December 31, 2023. OCB additionally finalized the Open API solution set and facilitated the integration of partner ecosystems; as a result, partner ecosystem-driven transactions and sales increased by 55% and 350%, respectively.



1.4 Distribution channel development activities:

In 2023, OCB completed the deployment and put into operation 4 branches and 6 transaction offices licensed by the State Bank of Vietnam. As of December 31, 2023, OCB had a total of 159 network units, including 1 Head Office, 57 Branches, and 101 Transaction Offices, present in 43 provinces and cities nationwide.



1.5 Human resource management and training:



**THE TOTAL NUMBER OF
EMPLOYEES OF OCB**

6.816 EMPLOYEES

As of December 31, 2022

With a workforce of 6,816 as of December 31, 2023, OCB guarantees adequate human resources to support the business and operational endeavors of every unit within the system.

The BOD, the Chief Executive Officer, and the Board of Management consistently oversee the execution of human resource development initiatives at the OCB to ensure the availability of adequate and high-quality human resources in both the short and long term. To construct and cultivate a workforce that fulfills OCB's requirements, all human resource development activities involve the direct coordination and participation of Head Office Divisions, Departments, and Business Units, ranging from professional staff to management. In 2023, OCB continued its human resource development initiatives, with a particular emphasis on:

- Training and developing successor personnel to meet work requirements and employee development roadmaps in business divisions and the headquarters, with 4 implementation programs for the business units (Potential Directors; Potential Customer Relationship Director/Credit Director; Potential Controller/Customer Service Staff) and 3 programs for the Head Office (OCB Line-Up Leader; OCB Talented Bankers; and OCB Technologist), with a planned workforce of 177 staff in total.
- Enhancing management capacity through implementing training programs, namely Digital Academy, BM Upgrade, Mentoring Coach, etc.
- Facilitating employee English proficiency development through the provision of English courses utilizing the Elsa Speak online learning system and the Micro Learning program, which provides one learning suggestion per day.

Conducting periodic succession planning and potential capacity assessment in order to develop training programs and timely support for the career development roadmap of employees.

1 Implementation of the risk management policy

The risk appetite for 2023 was established with risk control objectives that were both stringent and reasonably adaptable in order to safeguard OCB's financial stability, facilitate its expansion into a larger organization, and maintain credit quality.

Centralized credit risk control criteria were maintained, such as the credit granting rate without collateral, the credit granting rate to large customers, the credit risk concentration to large customers, the credit granting rate for economic sectors, the credit granting limit for a related customer/group of customers, and other credit granting limit criteria according to SBV regulations. The system of professional regulatory framework documents was periodically reviewed, updated, evaluated, and submitted for approval at meetings of the Risk Management Committee, Board of Management, and Risk Council.

Building operational risk appetite in 2023 with stricter internal risk control goals consistent with business strategy.

Maintaining the establishment and monitoring of operational risk measurement tools, including early risk identification through risk assessment of products, processes, regulations, technology application development, and projects; closely monitoring of key risk indicators (KRIs); carrying out Risk Control Self Assessment (RCSA); and assessing risks for outsourcing activities.

The implementation of an operational risk management policy was in accordance with the regulations and business strategies of OCB. The operational risk management system of OCB incorporated a monitoring mechanism for both financial and non-financial loss limits.

Implementing response work and developing Business Continuity Plans (BCPs) in cases of epidemics, natural disasters, storms, floods, fires, explosions, and robbery attacks; implementing a Disaster Recovery Plan (DRP); and organizing regular drills every year to be ready to respond when incidents or disasters occur.

Status of monitoring the implementation of some key risk limits in 2023

Risk control criteria	2023 Criteria	2023 Implementation
CAR - TT41 Individually	≥ 11%	13,30%
Ratio of Group 2 Debt/Assets	≤ 2,5%	1,59%
Bad Debt Ratio/Assets	≤ 2,0%	2,02%
Troubled Debt Ratio/Market Balance 1	≤ 4,04%	4,81%
LDR (Loan-To-Deposit Ratio)	≤ 85%	73,66%
LRR (Legal Reserve Ratio)	≥ 10%	20,35%
Short-Term Capital for Medium- and Long-Term Loans	≤ 30%	23,94%

② Deployment of credit portfolio management, methods and tools for measuring, monitoring and controlling credit risk

Portfolio management:

- Construction of a 2023-oriented credit portfolio according to customer segments, economic sectors, and credit products to ensure risk dispersion and credit portfolio optimization. Monthly credit portfolio monitoring and quarterly risk management committee reporting include outstanding loans and segment characteristics.

Methods and tools for measuring, monitoring and controlling credit risk:

- Implementing credit portfolio management according to specific segments, including outstanding loans and segment characteristics.
- Implementing centralized credit granting process management through the BPM system: closely monitor the implementation time in each stage of the processing process from the Business Units to the Head Office and each processing individual; speed up processing progress while limiting errors during operations; and issue warnings in case errors are detected.
- Continuing to deploy the Field Inspection Department under the Credit Management Division to operate independently to support credit appraisal and approval work, carrying out actual appraisal of high-risk credit applications to increase the level of risk control, and ensuring objectivity and reality in credit appraisal and approval.
- Implementing a decentralized credit approval model according to risk limits; managing the decision hierarchy framework from the Credit Committee level to Approving Individuals. On a monthly basis, review judgment levels to evaluate the allocation, maintenance, and suspension of judgment levels for individuals whose credit approval has expired and/or violated the credit limit threshold.
- Implementing and operating the early warning system and post-credit monitoring and supervision at the Business Units and Compliance Control Department.
- Monitoring debt classification and credit risk provisioning for each credit in accordance with the regulations of the SBV.

3 Implementation of operational risk measurement tools

Key implementation tools:

- Loss Data Collection (LDC);
- Risk Control Self Assessment (RCSA);
- Key Risk Indicators (KRIs);
- Identifying risks early with new policies, regulations, products, and services.
- Remote monitoring topics to detect fraud and risks early, focusing on key activities of the Bank
- Collecting and analyzing findings from internal audits, independent audits, inspection agencies, etc. to assess control weaknesses and plan to minimize risks.
- Collecting loss incidents from other financial institutions to analyze lessons learned and supplement risk prevention measures.
- Using the Business Process Mapping (BPM) to determine the operational risk level of each business process.
- OCB made an investment, implemented, and commenced using a fraud management system built on the IBM® Safer Payments platform in 2023 to oversee, proactively avert, and administer fraudulent activities within digital omnichannel banking operations, aiming to safeguard customers by ensuring secure and optimal product and service usage, reduce financial losses for banks, and comply with the SBV's regulations regarding transaction monitoring and fraud prevention.



4 Completion of the 3 Basel Pillars

In 2023, OCB successfully completed and applied the capital and risk asset management platform according to enhanced Basel II, namely:

- Centralized digital data warehouse: Meets international standards, helping OCB manage data effectively and consistently.
- Risk measurement model system: Comprehensive credit risk measurement for both retail and corporate segments.
- Method for calculating risk-weighted assets and capital adequacy ratio: Meets requirements of enhanced Basel II
- Moody's digital platform application: Supports effective risk management.

Implementation of advanced Basel II represents a significant advancement for OCB, showcasing a notable progression in methodologies for measuring risks and data. In contrast to the prevailing Basel II (SA) capital adequacy ratio management approach utilized in Vietnam, OCB has made significant progress with this innovation, which signifies a notable advancement in risk assessment and data methodologies. The utilization of the advanced Basel II method for risk measurement enables the Bank to comprehensively assess and categorize risks associated with every loan contract and borrower. The Bank utilizes proactive portfolio management techniques and implements flexible lending interest rates based on the risk profile of individual loans.

Regarding market risk, along with the orientation of developing the risk management framework with the goal of constantly consolidating and improving the implementation of the most advanced management standards, in 2023, OCB applied capital calculation according to Basel II IMA in parallel with capital calculation according to the provisions of Circular 41/2016/TT/NHNN. The method of evaluating financial products according to the advice of the auditor within the framework of the Basel II IMA project has also been included in the process of monitoring market risk limits. Accordingly, OCB carried out market risk monitoring within the regulatory framework (from regulations to instructions) that has been supplemented/updated and put into operation, meeting compliance with Basel II IMA standards.

In addition, OCB took measures to improve its risk monitoring activities by setting out a clear internal roadmap to comply with Basel III limits, including calculating the liquidity coverage ratio (LCR) and net stable funding ratio (NSFR) according to Basel III standards. These ratios are calculated and monitored regularly every month. Implementing Basel III compliance places great demands on OCB, requiring the construction and establishment of a reasonable balance sheet structure. Thereby, OCB demonstrates its commitment to establishing a flexible and modern risk management platform, thereby helping to shape development towards sustainability, safety, transparency, and efficiency.



» BRAND DEVELOPMENT

Numerous exceptional and innovative programs were implemented in 2023 to promote OCB's marketing and communications initiatives, thereby establishing the brand's recognition and recall among customers.

Engage in proactive research, generate proposals, and gain access to novel communication methods in order to enhance the efficacy of campaigns, resulting in a greater number of brand touchpoints, facilitate convenient information, product, and service access for both individual and corporate customers, and offer the chance to augment benefits through the acquisition of supplementary incentives and prizes from promotional activities.

In 2023, OCB enhanced and re-standardized the image of its Branch/Transaction Office system across the nation, a decade after announcing the brand identity system. Doing so in a luxurious, contemporary, and professional environment, the business maximized the effectiveness of its advertising efforts and expanded its customer base. Initially, the transformation was met with significant approval from both customers and partners.



OCB consistently executed initiatives aimed at benefiting the community and society at large, including a partnership with the Understanding the Heart Foundation to provide financial sponsorship for heart surgery for underprivileged pediatric patients, assistance for students going to school, care for individuals in need in numerous localities during Tet, and numerous other purposeful undertakings conducted throughout the year.



In 2023, OCB was consistently acknowledged and bestowed with numerous esteemed domestic and international accolades, including:



Top 30 Largest Tax-Paying Enterprises in Vietnam



Top 50 Most Valuable Brands in Vietnam, announced by Brand Finance



Top 500 Strongest Banks in Asia-Pacific according to the Asian Banker



Typical Digital Banking Service Provider in Vietnam 2023 (Global Economics)



Asian Technology Excellence Awards 2023 Design Technology Award for Unlock Dream Home application (awarded by Asian Business Review)

» 2024 OPERATION ORIENTATION

In 2024, the Vietnamese economy is anticipated to continue to encounter numerous obstacles. The GDP of Vietnam is anticipated to increase by 5.5% to 6.0%(7) in 2024, despite the presence of numerous domestic and international risks. In light of this, it is anticipated that the SBV's policies will be adaptable and timely in order to stabilize the macroeconomy, control inflation, and promote economic expansion. In addition to a succession of significant legal changes, 2024 is a turning point year due to the passage of the Law on Credit Institutions 2024, Land Law 2024, Housing Law 2023, and others by the National Assembly.

The OCB orients itself as follows, according to the preceding statement:

- Adjust the organizational structure and performance management system towards streamlining and efficiency.
- Gradually restructure the business portfolio towards diversifying revenue sources, improving asset quality, actively promoting bad debt recovery, and handling collateral assets.
- Deploy the application of the International Financial Reporting Standards (IFRS) and higher standards in corporate governance according to international practices.
- Implement strategic programs to improve competitiveness and sustainable development, positioning OCB as a "pioneer green bank in Vietnam."
- Successfully launch New OMNI 4.0, promote Open Banking, digitize processes, and expand data technology applications into operational areas.
- Improve the quality of recruitment, training, and human resource development.
- Continue to expand the network of transaction offices/branches across the country, with a plan to expand to 17 more branches and transaction offices in 2024.

Orientation on basic plan targets for 2024:

Unit: billion VND

No.	Criteria	2023 Implementation	2024 Plan	Comparison of 2024 Plan & 2023 Implementation	
1	Total assets	240.114	286.562	▲ 46.448	▲ 19%
2	Total Market 1 Mobilization	168.112	197.346	▲ 29.234	▲ 17%
3	Total Market 1 Outstanding Balance (*)	148.005	177.592	▲ 29.586	▲ 20%
4	Bad Debt Ratio (SBV)	2,02%	<3%	-	-
5	Profit before tax	4.139	6.885	▲ 2.746	▲ 66

(*) The Total Market 1 Outstanding Balance will be adjusted according to the credit growth limit approved by the SBV.

CHAPTER

04

ASSESSMENT OF THE BOD ON OCB'S OPERATIONS

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1 GENERAL ASSESSMENT OF CORPORATE GOVERNANCE

>> GENERAL ASSESSMENT OF CORPORATE GOVERNANCE

1 Corporate governance

At the beginning of 2023, OCB's BOD included 07 members with 02 independent members. By April 28, 2023, OCB elected 02 additional members of the BOD. The Bank's BOD members have carried out management work on the principles of openness, transparency, and separation between management and operating activities.

In 2023, the BOD held 32 meetings, including 05 direct BOD meetings and 27 meetings in the form of collecting written opinions to implement the resolutions of the General Meeting of Shareholders, assign tasks to the BOM and check the results of implementing targets. In addition to 32 BOD meetings, the BOD also discussed and approved 140 Resolutions and Decisions on many areas of the Bank's operations and business.

In 2023, the BOD issued new, amended, and supplemented a number of documents, such as Regulations on Organizational Structure of Orient Commercial Joint Stock Bank, Regulations on Organization and Operation of the OCB Human Resources Committee, Regulations on Preventing and Combating the Proliferation of Weapons of Mass Destruction at OCB, Bank Guarantee Regulations, Regulations on Corporate Bond Business Activities, Regulations on Decentralization of Human Resource Management, Regulations on Decentralization of Judgment for Valuable Paper Investment Credit Operations and Valuable Paper Term Trading, Lending Regulations for Customers, etc.

2 Activities of Committees:

In order to assist the BOD in management work, the BOD established affiliated agencies to carry out the work. In 2023, the Committees fulfilled their roles well and contributed positively to the Bank's overall operating results.

Details of the Committees' activities are as follows:

Risk Management Committee (RMC):

- Consists of 05 members, advising the BOD on the strategic risk management framework and ensuring OCB develops and completes related policies.
- In 2023, the RMC held 04 regular meetings and collected comments via email to monitor the risk appetite and risk status of the entire product; evaluate and direct the implementation of action programs and risk control measures; and, through proposals, promulgate Regulations related to the risk measurement model management framework, risk management strategy framework, risk appetite framework, internal assessment of appropriate capital adequacy, and compliance with legal regulations, laws, and business practices.

Human Resources Committee:

- Consists of 04 members, responsible for advising the BOD on directions in human resource management and development, building culture, cohesion, salary, bonus, and welfare regimes for OCB employees.
- The Human Resources Committee has mandated a review of labor productivity in 2023 in order to optimize employee costs and train the management team's capacity in management; foster a culture that emphasizes training and internal development to ensure human resources are balanced and stable; and continue to evaluate policies, recruitment, and training in an effort to attract and retain qualified personnel.

Risk Handling Committee (RHC)

- Consists of 06 members.
- The RHC is responsible for managing the provisions policy, deciding or approving debt recovery measures for debts that have used provisions to handle risks, deciding on measures to handle overdue or undue debts with potential risks, and deciding and approving measures to handle operational risk events that result in financial losses.

Debt Restructuring Committee (DRC)

- Consists of 09 members, responsible for advising the BOD on approving debt restructuring, amendments, supplements, or replacements of relevant regulations within the scope of the functions of the Debt Restructuring Committee.
- In 2023, the DRC organized 38 meetings with 70 documents.

Debt Trading Council

- Consists of 09 members.
- The Debt Trading Council is responsible for advising the BOD on debt buying and selling activities at OCB, approving the purchase and sale of debt within the scope of authority according to regulations. In 2023, the Debt Trading Council processed 06 documents according to its authority.

Strategic Cooperation Committee (SAC)

- Consists of 04 members.
- In 2023, there were 03 SAC meetings held to discuss and agree on the direction of strategic cooperation and business development between OCB and Aozora Bank (Japan).

Credit Committee:

- Consists of 10 members.
- In 2023, the Credit Committee approved credit documents according to the scope of decentralization and approved the credit risk management framework.

3 Activities of independent members of the BOD and results of independent members' evaluation of the activities of the BOD:

2023 is the 4th year of the term (2020 - 2025) of the BOD. OCB's BOD has 02 (two) independent members, Mr. Pham Tri Nguyen and Mr. Bui Minh Duc. Mr. Pham Tri Nguyen holds the position of member of the Risk Management Committee and is responsible for developing cooperation with foreign institutions and connecting and investing in foreign investment funds. Mr. Bui Minh Duc is in charge of the Bank's accounting and auditing management.

- Independent members of the BOD participated in all meetings of the BOD during the year to carry out assigned tasks.
- Independent members of the BOD have reviewed and contributed opinions on the Bank's strategies, business plans, and documents under their authority.
- Independent members of the BOD participated in supervising and urging the BOM to implement the business plan.
- Independent members of the BOD have made positive contributions to the Bank's governance, ensuring independence and objectivity in the BOD's decision-making.

Assessment of independent members of the BOD on the activities of the OCB's BOD:

- OCB has operated in accordance with the tasks specified in OCB's Charter, Regulations on Organization and Operation, and provisions of the law.
- The BOD members have worked actively and effectively in the spirit of caution, transparency, and responsibility.
- The BOD has also done a good job of strategic planning for the Bank and supported the BOM in completing the 2023 business plan goals.

4 Oversight on the Board of Management:

In 2023, the BOD organized working sessions with the BOM to exchange information to deploy and execute the business plans:

- Following OCB's Charter and Internal Regulations.
- The BOD always ensures supervision of the executive activities of the Board of General Directors through the mechanism of the Board of General Directors periodically reporting to the BOD on overall operations at BOD meetings and the approval of proposals from the Board of General Directors.

5 Implementation of AGM resolutions in 2023:

In addition to implementing the Resolution on business activities, in 2023, OCB implemented the resolutions of the 2023 AGM as follows:

- Amended and promulgated the OCB Charter in 2023;
- Made appropriations for funds in 2022;
- Selected Ernst & Young Vietnam Limited to audit the 2024 financial statements;
- Approved by the State Bank of Vietnam to change the location of OCB's headquarters to a new location, The Hallmark, No. 15 Tran Bach Dang, Thu Thiem Ward, Thu Duc City, Ho Chi Minh City.
- Regarding the increase in charter capital: Completed the increase in charter capital to VND 20,548,242,940,000 due to the issuance of bonus shares to existing shareholders, officially ranked in the Top Private Banks with the largest charter capital in the system.

» PUBLIC REPORT OF RELATED INTERESTS

According to the provisions of Article 39 of the Law on Credit Institutions 2010, OCB publicly reports to the AGM the benefits related to the BOD, the SB, and the BOM as of December 31, 2023, as follows:

Subjects	Number of members	Number of companies related
Board of Directors	09 members	09 companies
Supervisory Board	03 members	01 company
Board of Management	06 members	02 companies

» OTHER CONTENTS THAT THE BOD NEEDS TO REPORT TO THE AGM ACCORDING TO THE LAW

Report on transactions between the Bank, its subsidiaries, and companies controlled by the Bank with over 50% or more of the Charter capital and members of the BOD and related people: any arising (according to the report on the corporate governance situation in 2023).

Report on transactions between the Bank and a company in which a member of the BOD is a founding member or a business manager during the most recent 04 years before the transaction time: None.

Public report of the borrower list.

According to the provisions of Article 127.1 of the Law on Credit Institutions 2010, OCB publicly reports to the AGM on lending to subjects with limited credit until December 31, 2023, as follows:

- Subjects: OCB employees with positions subject to credit restrictions.
- Total number of employees with loans: 1,159 people
- Total number of loans: 99 loans and 1483 credit cards
- Total credit limit: VND 254.07 billion
- Total actual outstanding debt as of December 31, 2023: VND 202.16 billion.

Lending to the above subjects has been carried out by OCB in compliance with the law and OCB's regulations.

Report on the results of debt classification, off-balance sheet commitments, risk provisioning, use of risk provisions, and loss handling:

- Debt classification results as of December 31, 2023: Total on-balance sheet debt (total assets) is VND 197,145 billion; Total bad debt is VND 3,975 billion; Bad debt ratio is 2.02%.
- Total off-balance sheet commitments: VND 8,122 billion.
- Result of risk provisioning as of December 31, 2023: VND 2,530 billion
- Results of using provisions to handle risks in 2023: VND 703 billion
- Results of using provisions to handle outstanding losses: OCB has not yet incurred losses as prescribed in Circular 11.

II OPERATION ORIENTATION OF THE BOD IN 2024

In 2024, the Vietnamese economy is anticipated to continue to encounter numerous obstacles. The GDP of Vietnam is anticipated to increase by 5.5% to 6.0%(7) in 2024, despite the presence of numerous domestic and international risks. In light of this, it is anticipated that the SBV's policies will be adaptable and timely in order to stabilize the macroeconomy, control inflation, and promote economic expansion. In addition to a succession of significant legal changes, 2024 is a turning point year due to the passage of the Law on Credit Institutions 2024, Land Law 2024, Housing Law 2023, and others by the National Assembly.

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- Deploy the application of the International Financial Reporting Standards (IFRS) and higher standards in corporate governance according to international practices.
- Implement strategic programs to improve competitiveness and sustainable development, positioning OCB as a "pioneer green bank in Vietnam."
- Successfully launch New OMNI 4.0, promote Open Banking, digitize processes, and expand data technology applications into operational areas.
- Improve the quality of recruitment, training, and human resource development.
- Continue to expand the network of transaction offices/branches across the country, with a plan to expand to 17 more branches and transaction offices in 2024.

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Unit: billion VND

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5	Profit before tax	4.139	6.885	▲ 2.746	▲ 66

(*) The Total Market 1 Outstanding Balance will be adjusted according to the credit growth limit approved by the SBV.

2024

2023

CHAPTER

05

REPORT OF THE SUPERVISORY BOARD

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» PERFORMANCE OF THE SUPERVISORY BOARD IN 2022

① Summary of the meeting of the Supervisory Board

In 2023, the SB held 6 meetings: January 11, 2023, March 13, 2023, April 4, 2023, July 13, 2023, October 13, 2023, and December 13, 2023. The SB maintained operations in accordance with the law and OCB's Charter. All SB members attended all regular meetings and voted unanimously to approve issues and contents within the SB's functions and tasks.

In addition, the SB regularly participated in periodic meetings of the Board of Management, organized exchanges, discussions, and evaluated the activities of the Internal Audit to serve the control purposes of the SB.

② Results of appraisal of 2023 financial statements

On the basis of the Financial Statements for the first 6 months of 2023 and the 2023 Financial Statements which have been reviewed and audited by Ernst & Young Vietnam Limited and have been published on OCB's website according to current regulations, the Supervisory Board agrees with the opinions and comments in the Audit Report of Ernst & Young Vietnam Limited as follows: The individual financial statements and consolidated financial statements have truly and fairly reflected, in all material aspects, OCB's financial situation as of December 31, 2023, as well as the results of operations and cash flows for the year ended on the same date, in accordance with Vietnamese Accounting Standards, the Accounting System of Vietnamese credit institutions, and legal regulations related to the preparation and presentation of financial reports.

③ Oversight on the BOD, the Chief Executive Officer (CEO) and other executives

In 2023, the SB supervised the BOD, the CEO and other executives of governance activities with the following contents:

- Supervision of compliance with regulations of the SBV and OCB's Charter in governance and operation;
- Supervision of OCB's core business activities;
- Review of the compliance with the provisions of the law in the development and promulgation of internal regulations of the BOD and the CEO;
- Supervision of the implementation of the directives of the State Bank of Vietnam in banking operations;
- Supervision of the implementation of resolutions of the Annual General Meeting.

Through supervision, the SB assessed that governance and management activities were implemented appropriately in accordance with the law and regulations of OCB, including compliance with restrictions to ensure safety in OCB's operations specified in Clause 1, Article 127 of the Law on Credit Institutions No. 47/2010/QH12.

Transaction contracts between OCB, its subsidiaries, members of the BOD, the CEO, other executives of OCB and related people; Transactions between OCB and companies in which members of the BOD, the CEO, and other executives of OCB who are founding members or business managers within the last 3 years before the transaction is carried out in accordance with the law and internal regulations of OCB.

In addition, the BOD actively implemented bank governance, changed the organizational structure, and made timely decisions to support and create conditions for the Board of Management to implement business activities and resolve difficulties in business activities. The CEO organized and operated banking operations in accordance with the law and internal regulations of OCB.

4 Oversight of the coordination between the SB, the BOD, the CEO, and the Shareholders

The coordination between the SB and the BOD, the CEO, and shareholders of OCB was carried out according to the principle of compliance with the laws and regulations of OCB and for the common benefit of OCB.

The BOD created favorable conditions for the SB to fully perform its functions and duties according to regulations. The SB fully attended the direct meetings of the BOD, and during the meetings, the SB reported on the activities of the SB, participated in discussions, and contributed opinions to each session.

The BOD and the CEO have reviewed the recommendations of the SB and Internal Audit and directed relevant departments to implement them.

5 Remuneration, operating expenses, and other perks of the SB

The remuneration, operating expenses, and other benefits of the SB within the operating budget of the BOD and SB were approved by the 2023 AGM.

6 Internal audit activities

In 2023, the SB supervised and directed the Internal Audit Department to implement activities according to functions and tasks as follows:

- 100% completion of the 2023 audit plan approved by the SB. In particular, 30/30 audited contents/units were completed as planned.
- Review and promulgation of the Internal Audit Manual, continuing to improve regulations and work instructions related to internal audit.
- Risk-oriented internal audit planning for 2024 and regulations in Circular 13/2018/TT-NHNN dated May 18, 2018 of the Governor of the State Bank of Vietnam on the internal control system of commercial banks and foreign bank branches.
- Through the audit results, the Internal Audit Department made recommendations to correct errors, amend, and supplement regulations, procedures, and tasks to enhance risk management and operational efficiency.
- The Internal Audit Department fully and promptly implemented reports according to the regulations of the State Bank of Vietnam and internal regulations of OCB.

OVERSIGHT OF THE IMPLEMENTATION OF THE RESOLUTION OF THE 2023 AGM

1 Results of monitoring OCB's operations and finances

The Board of Directors completed the business plan targets assigned by the 2023 AGM as follows:

No.	Business performance targets	2023 plan assigned by the AGM	Implementation as of December 31, 2023	Plan completion rate
1	Total assets	242.152	240.114	99%
2	Total Market 1 Mobilization	173.087	168.112	97%
3	Total Market 1 Outstanding Debt	147.330	148.005	100%
4	Bad Debt Ratio	<3%	2,02%	Met
5	Profit before tax	6.000	4.139	69%

Unit: Billion VND

Risk management indicators were also managed and fully complied with regulations of state management agencies.

② Results of implementing other resolutions of the General Meeting of Shareholders in 2023

In addition to implementing business targets, in 2023, the BOD and the SB implemented the AGM resolutions as follows:

- Amended and promulgated the OCB Charter in 2023;
- Completed the appropriation of funds for 2022.
- Completed the selection of Ernst & Young Vietnam Limited to audit the 2024 financial statements.
- Approved by the State Bank of Vietnam to change the location of OCB's Head Office to a new location, The Hallmark, No. 15 Tran Bach Dang, Thu Thiem Ward, Thu Duc City, Ho Chi Minh City.
- Completed the increase in charter capital to VND 20,548,242,940,000 due to the issuance of bonus shares to existing shareholders, officially ranked in the Top Private Banks with the largest charter capital in the system.

» 2024 OPERATION ORIENTATION

For successful fulfillment of the tasks assigned by AGM, the Supervisory Board determines the key tasks in 2024 as follows:

- Supervision of the implementation of the AGM Resolution and the BOD Resolution.
Supervision of the implementation of Resolutions of the AGM and Resolutions of the BOD.
- Supervision of financial status, appraisal of financial statements for the first 6 months of the year and annually; evaluation of the reasonableness, legality, honesty, and level of caution in accounting, statistics, and financial reporting.
- Review, update and supplement of the internal regulations of the SB in accordance with the provisions of the law.
- Approval of the 2024 Internal Audit plan according to risk orientation and regulations in Circular 13/2018/TT-NHNN.
- Directing Internal Audit to build and perfect internal audit processes, apply information technology to internal audit activities to improve labor productivity and the quality of internal audit activities.
- Performance of other functions and duties of the SB according to the provisions of the law and OCB's Charter.
- Implementation and direction of implementation of requirements of the State Bank of Vietnam and functional agencies according to legal regulations.

CHAPTER

06

SUSTAINABLE DEVELOPMENT REPORT

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GREEN BANK



SUSTAINABLE DEVELOPMENT REPORT OVERVIEW

In addition to a decline in global trade and investment, bad debt increases, and inflation remains elevated, 2023 is a challenging year for the global economy and Vietnam. These challenges are exacerbated by technological fragmentation, geopolitical conflicts, extreme weather, and widespread epidemics, among others.

In response to unforeseeable challenges arising from volatility in both the domestic and global economies, numerous banks have promptly implemented efficacious defensive strategies by prioritizing sustainable development, ultimately culminating in favorable economic outcomes. OCB is among the financial institutions whose management model, which is focused on sustainable development, is consistently innovative and steadfast. As a result, the financial institution has executed a sequence of significant initiatives, which encompass: Becoming the first financial institution in Vietnam to declare the finalization of the implementation and utilization of the advanced Basel II and Basel III capital management platform; By implementing a sustainable development strategy and becoming the first green bank in Vietnam, OCB has furnished customers with an array of green credit programs and bundles; Additionally, the bank has been a pioneer in the implementation of digitalization across its products, internal services, and operations, etc. This is a guideline to assist the bank in resolutely addressing challenges and obstacles in an effort to instill positive values and confidence in the community.

The OCB's 2023 Sustainable Development Report (SDR) provides a comprehensive overview of the bank's endeavors pertaining to sustainable development matters throughout the year. Adopting an economic growth perspective, the SDR aims to foster environmental protection and community and social advancement. Transparency, objectivity, and honesty have remained the steadfast principles of OCB over the course of its 27-year existence.

For a

GREEN

Through 5 core values:



The bank conducts its operations in accordance with Vietnamese legislation, striving to meet international benchmarks, guaranteeing transparency, implementing a robust risk management system, and maximizing returns for its shareholders, customers, staff, and community.

We are committed to achieving sustainable development by creating long-term financial, environmental, and social value. Our focus is on enhancing customer experience, increasing value for our shareholders, and contributing to the betterment of society. This will serve as our motivation to consistently invest and innovate in creating a sustainable bank known as **OCB GREENBANK**.

FUTURE

I. GRI 200 ECONOMIC STANDARD

» 1. 2023 ECONOMIC PERFORMANCE

OCB maintained the growth of its total assets and primary business segments through the end of 2023, despite the country's general economic adversity; technology and digital transformation activities in particular experienced a significant surge throughout the year.



Total Assets

240.114 billions VND

▲ 24% to 2022



Total Market 1 Outstanding Debt ^(*)

148.005 billions VND

▲ 20,53% to 2022



Total Market 1 Mobilization ^(**)

168.112 billions VND

▲ 22% to 2022



Net Interest Income

6.766 billions VND

▼ 2,6% to 2022



Profit before tax

4.139 billions VND

▼ 6% to 2022



Moody's rated

Ba3

(*): Total Market 1 Outstanding Debt includes: Loans to customers; corporate bonds; debt purchasing.

(**): Total Market 1 Mobilization includes: Customer deposits; valuable papers; Funding - entrusted capital.

Numerous prestigious domestic and international organizations bestowed significant honors upon OCB in 2023. In affirming OCB's standing and brand repute on the regional and global financial banking markets, this accolade is in recognition of the bank's business endeavors:



**TOP 500 STRONGEST BANKS
IN ASIA PACIFIC**

Voted by The Asian Banker



**BEST DIGITAL BANK BRAND AWARD
IN VIETNAM**

Voted by Global Brands Magazine



**TOP 30 LARGEST TAXPAYERS
IN VIETNAM**



NATIONAL BRAND TITLE

Voted by the Ministry of Industry and Trade



» 2. KEY STANDARDS ON ECONOMY

2.1 Risk management towards sustainable development

OCB, which operates in the financial sector, is undoubtedly cognizant of the critical nature of its risk management obligations. As a result, the risk management (RM) system implemented at OCB is standardized across all business units and the Head Office. As a result, risk management accountability rests with every employee who participates in the bank's activities, whether directly or indirectly.

OCB enhanced its risk management operations by the conclusion of 2023, in alignment with the development strategy, the State Bank of Vietnam's orientation, and Basel II practices. With the completion of the implementation and deployment of the cloud capital calculation platform in accordance with Advanced Basel II, OCB has established itself as the inaugural bank in Vietnam to fully fulfill all advanced Basel obligations pertaining to global risk management standards. In particular, OCB successfully developed an all-encompassing infrastructure for the management of capital and risk assets in accordance with Basel, which incorporated 4 primary requirements: Data warehouse that are centralized in accordance with international standards; Developing and exhaustively testing models for measuring credit risk; Enhanced Basel II methodology for calculating risk-weighted assets for credit risk and capital adequacy ratio (CAR); Utilizing Moody's digital platform in accordance with sophisticated Basel II to calculate and manage high-risk assets.

OCB was able to successfully finalize the banking data infrastructure with the assistance of the project, which utilized data models that adhered to cutting-edge technical criteria and had extensive utility for risk management and business operations. As a result, the duration required to construct and validate the bank's risk models is reduced from 3 months to under 1 month. Simultaneously, OCB constructed and exhaustively tested models as required for the retail and corporate segments, including the following: measuring the Probability of Default (PD), measuring the Loss Given Default (LGD) and Exposure at Default (EAD) by each segment and product. Evaluation results also show that the models fully meet Basel requirements as well as international practices.

On the basis of model results and consultation with partners regarding credit risk management activities, OCB has specifically finalized and implemented enhanced Basel II capital management methods. In accordance with Basel II requirements, the bank has implemented the Advanced Internal Rating-Based (AIRB) to compute capital for its retail receivables portfolio and the Foundation Internal Rating-Based (FIRB) to compute capital for its corporate receivables portfolio. When compared to the typical Basel II capital adequacy ratio (SA) management approach used in Vietnam, this is a significant step ahead for OCB, exhibiting a high degree of improvement in data and risk measurement methodologies. Instead of applying a common level of risk measurement to a group of loans and customers with similar properties under Basel II standards, risk measurement results using the advanced Basel II method allow banks to measure and classify risks for each loan contract and borrower individually. This is the basis for banks to deploy proactive portfolio management methods, apply flexible lending interest rates according to the risk level for each loan, consolidate a solid risk management foundation, aim for transparency, enhance competitive position, and increase strength and resilience against possible macroeconomic fluctuations.

Besides, in 2023, OCB effectively managed risks by implementing specific activities/tools, as follows:

- Implementation of the three-line-of-defense risk control model: First Line of Defense; Second Line of Defense and Third Line of Defense;
- Loss Data Collection - LDC;
- Risk Control Self Assessment - RCSA;
- Key Risk indicators - KRI;
- Early risk identification of new policies, regulations, products, and services;
- Remote monitoring topics to detect fraud and risks early, focusing on key activities of the bank;
- Collection and analysis of findings from internal audits, independent audits, inspection agencies, etc. to assess control weaknesses and plan to minimize risks;
- Collection of loss incidents from other financial institutions to analyze lessons learned and supplement risk prevention measures;
- Use of Business Process Mapping (BPM) to determine the level of operational risk of each business process;
- In particular, in 2023, OCB invested, deployed, and put into operation a fraud management system on the IBM® Safer Payments platform to monitor, proactively prevent, and manage fraudulent acts in digital omnichannel banking operations aimed at protecting customers, providing an optimal and safe experience when using products and services, minimizing losses for banks, and meeting the State Bank of Vietnam's regulations on transaction monitoring and fraud prevention.



2.1 Anti-corruption activities

OCB, which operates in the financial sector, maintains a constant awareness of its responsibility and role in preventing money laundering, crime, and corruption. As a result, the Bank places particular emphasis on establishing protocols, regulations, and educational initiatives aimed at thwarting such activities. More specifically:

- Promulgation of operating regulations of the Steering Committee and Steering Subcommittee on preventing and combating corruption and crime
 - At the Head Office, the Steering Committee for Anti-Corruption and Crime operates according to Regulation No. 03/2022/QĐ-HĐQT dated March 16, 2022.
 - At branches throughout the OCB system, the Steering Committee for Anti-Corruption and Crime operates according to regulation No. 03/2022/QĐ-HĐQT dated March 16, 2022.
- Propaganda, dissemination, and education on corruption prevention and combat are always extensively and drastically implemented by OCB as the BOD and the BOM always consider this an indispensable task in business operations.
 - Propagating and disseminating guidelines, policies, and laws on anti-corruption and crime to general staff through briefing meetings at all units
 - Regularly warning about the methods and tricks of criminals in banking activities, such as instructing customers how to use banking services safely.
 - Actively fostering and improving professional qualifications and professional ethics for employees. All employees are aware of and actively participate in the prevention, detection, and denunciation of violations of the law, contributing to ensuring security and safety for banking operations.
- Corruption prevention activities at OCB are always carried out and closely monitored:
 - Publicity and transparency about the organization and activities of agencies, organizations, and units.
 - Strict implementation of regulations on ensuring democracy, openness, and transparency in personnel organization work on recruitment, appointment, transfer, rotation, evaluation, reward, and discipline.
 - Implementation of salary payments via account for 100% of employees throughout the system.
 - Implementation of administrative reform, application of science and technology in management, and non-cash payments.
 - Promulgation of regulatory document systems on labor regulations; Regulations on internal procurement spending; Payment and advance payment regulations; Regulations on administrative cost management norms; Regulations on asset procurement and asset management; Regulations on business trip allowances, etc.
 - Promulgation of a code of professional conduct and ethics

- Every 6 months, the Steering Committee for Anti-Corruption and Crime meets to plan the implementation of anti-corruption work.
- The Steering Committee for Anti-Corruption and the Steering Subcommittee for Anti-Corruption and Crime always pay attention to and direct the effective implementation of anti-corruption work, regularly inspect and supervise to prevent, detect, and promptly handle cases showing signs of corruption. To date, there have been no cases related to corruption at OCB.



2.3 Green credit growth

At present, the concept of "greening the economy" is a worldwide phenomenon that is gaining significant prominence on international agendas. Its objective is to mitigate the adverse consequences of economic expansion on both society and the environment. Green credit and green banks are critical components in the effective execution of the national strategy on green growth for 2021–2030 and vision 2050. They facilitate business investments in initiatives, programs, and infrastructure that aim to mitigate emissions and safeguard the environment by providing the necessary resources.

Recognizing the importance of green credit in Vietnam, according to Directive No. 03/CT-NHNN dated March 24, 2015 and Circular 17/2022/TT-NHNN dated December 23, 2022, the State Bank of Vietnam has asked commercial banks to: promote green credit for projects with clear goals of environmental protection; require classification and evaluation; and manage environmental risks; encourage environmentally friendly business activities.

As one of the pioneering commercial banks implementing environmental and social risk management (Environment & Society), since 2012, OCB has issued the Environmental and Social Risk Management Policy with the advice of IFC and OCB and has included this content as part of OCB's operations, especially credit granting activities.



Starting to deploy green credit in 2015 and promoting it from the end of 2019 until now, OCB is showing positive growth in the scale of capital to support customers with sustainable business operations. In addition, with the companionship and sponsorship of two major financial institutions, the Asian Development Bank (ADB) and the International Finance Corporation (IFC), it shows the appreciation of international financial institutions for OCB's green credit program, of which: ADB grants a loan limit of USD 25 million and a trade finance limit of USD 100 million, while in early 2023, IFC granted a loan limit of USD 100 million and a trade finance limit of USD 60 million, and in early March 2024, IFC announced a plan to invest an additional USD 150 million in green finance for OCB. This is a loan worth USD 150 million with a term of up to 5 years to fund the purpose of expanding OCB's loan portfolio for sustainable development projects in eligible social and climate sectors.

During this period, the scale of green credit at OCB was gradually increasing, reaching an average proportion of 8-10% of the total credit balance of the entire bank (the proportion of outstanding green credit debt at the end of 2021-2022, 2023, reached 11.2%-9.1% and nearly 9% of total outstanding debt, respectively). Meanwhile, by June 30, 2023, outstanding green credit loans in Vietnam had reached nearly VND 528,300 billion, accounting for about 4.2% of the total outstanding loans of the entire economy.

To achieve the above results, in recent times, OCB has gradually built and perfected the green credit policy framework and the Environmental and Social Risk Management System as the basis for OCB's activities towards the goal of green and sustainable growth. With the environmental and social risk management system, OCB has concretized its role as follows:

1

Development of banking products and services takes into account environmental and social benefits. As one of the first banks to implement a digital transformation strategy, OCB has successfully deployed OCB OMNI digital bank since 2019 based on 3 outstanding technology platforms: the internal process integration and digitalization platform; OCP (OMNI-Channel Platform), and Analytics Platform, affirming its pioneering with 3 outstanding features: Speed, Safety, and Comfort. On that basis, OCB has promoted the development of electronic banking and digital banking products and services. In addition, internal management activities are also adjusted in a more environmentally friendly direction through the use of energy-saving equipment, the development of online activities, digitization of most internal processes, etc. to reduce activities related to paperwork, stationery, energy consumption, etc.

2

Promotion of green credit activities through the development of an environmental and social risk management system. Investing in green fields requires a long return time and high investment costs. In this context, OCB has played a critical role in raising funds for green investment initiatives. At the same time, OCB is responsible for orienting and raising consumer understanding regarding environmental and social risk management policies.



On that basis, customers accessing green credit at OCB are able to apply for a specialized credit approval program with priority processing speed and preferential interest rates. With large projects, OCB has priority in resources to focus on speeding up the processing of credit approval documents as well as processing credit disbursement for customers to ensure the investor's project implementation progress. In addition, OCB also develops and implements specific credit programs for microfinance projects (such as rural agricultural loan products, rooftop solar power development loan products) to ensure consistency in procedures and speed in credit approval and disbursement.

Moving forward, OCB intends to maintain its investment in the implementation of "green credit" initiatives that promote sustainable development. OCB will unveil its sustainable business development strategy, **OCB Green Bank**, in 2024 in particular, with the intention of becoming a pioneering green bank in Vietnam. In the course of their collaboration with OCB, international financial organizations, including the World Bank, IFC, ADB, and others, strongly advise the promotion of ecological programs, sustainable development, social responsibility, and transparent governance. OCB implemented green standards in its operations several years ago. However, by 2024, the bank intends to integrate these principles into a comprehensive strategy by establishing an ESG framework to oversee all OCB products introduced to the market. Simultaneously, the bank will enhance standards in environmental protection, governance, and internal management in the construction and banking industries. This endeavor will contribute to the sustainable development of both Vietnam and the surrounding community.



2.4 Strong breakthrough in digital transformation and retail banking

An institution that has established itself as a trailblazer in digital transformation and the development of the OMNI channel model in Vietnam, OCB has consistently prioritized investment activities in technology and digital transformation over the last three to five years, with noteworthy outcomes.

Increase

40% new customers on the OCB OMNI digital banking application.

Increase

20% revenue each year through digital channels



Optimize

operating costs, strengthen risk management, & improve information security systems.

Perfect

the product and service framework, thereby creating a **long-term competitive advantage**.

OCB made a significant impact on the digital and retail transformation landscape in 2023 with the introduction of **Liobank**, a digital bank tailored to the needs of youthful individuals, and the OCB **Mastercard World 2in1** card product, which catered to the high-end clientele. Integrated technology is utilized in this card line to enable credit and payment card connections on a single chip and card blank, automate the identification and prioritization of suitable funds for each transaction, and assist cardholders in optimizing their financial management.





Following the aforementioned noteworthy endeavors, OCB achieved satisfactory outcomes as its net non-interest income increased once more, this time by VND 2,234 billion, in contrast to 2022, when it surged by 40.9%. The net service revenue of OCB OMNI inclusive of card and digital banking services, amounted to VND 882 billion. In particular, the number of OCB OMNI users grew by 28% in 2023 compared to 2022; the volume of transactions executed increased by 60.9% in 2023 compared to 2022; and the total amount of deposits mobilized increased by 23% during the same time period.



Since the previous 3 years, the card service segment has experienced record-breaking growth; the total number of cards issued increased by 348% in comparison to 2020, and the anticipated 93% increase in debit card lines in 2022 was realized. The indicators of credit card transaction sales, credit card debt balance, and total net revenue all recorded positive growth compared to 2022, specifically reaching an increase rate of 97%, 31%, and 64%, respectively.



2.5 Increase in utilities that optimizes the experience for individual customers

- In accordance with the contemporary trend "All in One" and in pursuit of establishing and developing a multi-channel banking platform, the OCB OMNI digital bank is consistently enhanced and upgraded in order to provide superior customer service. After more than 5 years of formation and development, OCB OMNI has attracted more than 2 million user registrations, with the number of transactions in 2023 increasing by 58% compared to 2022 and increasing 25 times compared to 2018. Online savings balances in 2023 increased by 55% compared to 2023, the ratio of online savings customers to total savings customers reached 41%. In particular, the CASA balance in 2023 rose by 44% compared to 2022.
- OCB continues to offer solution bundles and preferred products to a wide variety of customers, including production and business entities, consumer and home loan applicants, and others. In particular, the bank designed the "Start with Settling Down" and "Dream Home" products to accommodate customers with fixed incomes who were in the market to purchase a home. These products featured a lengthy grace period of up to 60 months and a range of preferential terms of 12 months or longer. Furthermore, OCB has introduced Unlock Dream Home, a comprehensive home search and loan platform, with the intention of assisting borrowers in locating their ideal residence while minimizing expenses and time. Since its inception, the platform has facilitated connections between approximately 30,000 brokers, 40,000 additional properties, and effectively introduced a mobile application for brokers and borrowers. At the same time, OCB has also built and launched a variety of account packages, such as OCB Speed Up, OCB Invest/Invest Pro, meaningful bank account numbers, financial blessings, etc., to increase convenience and optimize the customer experience.



2.6 Diversity of solutions and incentives to support SME customers in accessing loans

With a focus on developing the small and medium-sized enterprise customer segment, OCB has continuously deployed tailored financial products and solutions for each customer sub-segment according to specific business fields, especially for priority industries according to the Government's orientation to stimulate economic recovery and development, such as public investment, tourism, accommodation-catering, import-export, etc., with practical forms of support, including reducing lending interest rates and opening conditions and procedures for businesses to easily access bank capital. Furthermore, OCB placed emphasis on enhancing technological infrastructure and advocating for the advancement of digital solutions in 2023, with the dual objectives of augmenting payment convenience and cash flow management efficiency for enterprises.

With the assistance of international financial institutions—namely DEG (German Investment and Development Company, a subsidiary of the German Investment Corporation (KfW)) and a USD 100 million loan from the International Finance Corporation (IFC)—OCB expeditiously extended credit to small and medium-sized enterprises (SMEs) by implementing a series of support policies that enabled them to obtain "cheap" capital, with a particular focus on "green"-oriented and women-owned enterprises. Accordingly, OCB continuously implemented programs to support short-term, medium-term, and long-term loan interest rates with preferential rates of only 6.99% per year and a total limit of up to VND 5,000 billion. Specifically, enterprises operating in development priority sectors including transportation, food and accommodation, fast-moving consumer goods, education, import-export, foreign direct investment, or customers enrolled in the Bloc SME fast credit program, experience a reduction of 0.2% annually in interest rates, while the super preferential rate stands at a mere 6.79% annually.



- "SME Express Loan" and "SME Easy Loan" are two new credit products that have been introduced with a multitude of notable benefits: expedited approval within a 24-hour timeframe; credit evaluation grounded in practical business circumstances; Connecting loans, guarantees, and trade finance entails straightforward processes that demand minimal documentation, if any.
- By offering capital incentives and the SME GreenBiz Green Digital Solution package ("Green Digital Operations - Quickly Keep Up with the Trend"), which catered to the transaction, cash flow management, and payment requirements of each customer segment, OCB actively assisted small and medium-sized enterprises in optimizing the efficiency of their financial management. The solution bundle is designed to facilitate "greening" functions by automating manual processes, reducing the amount of paper, delivering services promptly, easily, at any time, and from any location, and relying primarily on digital channels.

2.7 Providing comprehensive digital solutions, optimizing benefits and costs for businesses

- OCB, a pioneer in applying digitalization to financial products and services, has provided corporate customers with numerous advantages in terms of time, money, personnel, and security.
- Over the past year, OCB has continued to automate supply chain transactions from input to output, providing businesses with a variety of green financial solutions. Querying, account and transaction lookups, wallet linking, and automatic cash flow management are among the nearly 200 Open APIs that correspond to a variety of services. Processing operations such as a dynamic QRcode, a virtual account, debt processing, and automatic debt deduction are also possible. Furthermore, OCB has been utilizing the digital bank OMNI Corp to execute online foreign currency trading and financial instruments in order to meet the diverse requirements of its clientele. OCB intends to introduce more intricate functionalities in the near future, including but not limited to guarantee registration, loan registration, disbursement requirements, payment types for purchasing and selling equities and bonds, foreign exchange trading, and international payments. By utilizing the financial solutions provided by OCB, organizations can reduce expenses, streamline operations, and allocate more time to operational and business endeavors, as well as expand their exploitation networks. In addition to assisting companies with financial administration and internal operations, OCB develops businesses in collaboration and capitalizes on the ecosystems of both parties.





2.8 Providing full M&A consulting services and developing FDI customers with a multilingual staff

- Strengthened by the fact that OCB is a financial institution with a strategic partner in Japan (Aozora Bank, AOZ), development activities in the M&A segment, FDI customers in general, and Japanese FDI customers in particular have been robust since 2020. According to initial statistical data, the volume of deposits originating from Japanese FDI customers has shown a significant upward trend since the start of 2023. This accounts for a considerable proportion of the overall deposit size attributed to the FDI customer segment.
- A team of proficient, knowledgeable, and multilingual FDI personnel is available at OCB via "one-stop support" services provided by the Japan Desk, Korean Desk, Taiwan Desk, and MNC Desk channels. Consequently, we are prepared to offer clients all-encompassing financial solutions, including but not limited to foreign exchange trading, trade finance, and account management.

GRI 300 ENVIRONMENTAL STANDARD

Based on the SBV's direction for credit institutions on directing credit-granting activities according to the general trend of protecting the environment and ensuring sustainable development, OCB is always aware of and oriented towards business activities associated with the environment and society.

It can be said that 2023 is a pivotal year for OCB to restart campaigns towards the goal of becoming a green bank. Specifically, OCB has been gradually greening banking operations, directing credit capital flows into financing environmentally friendly projects, promoting green production, services, and consumption, clean energy, and renewable energy, and actively contributing to promoting green growth and sustainable development.

During operations, OCB has also implemented a series of solutions to reduce energy consumption, specifically:

» FOR LIGHTING EQUIPMENT SYSTEMS

1. LED lighting

LED lights exhibit superior energy efficiency in comparison to conventional illumination alternatives, including incandescent bulbs and fluorescent lights. They are more durable and consume less energy, which reduces the frequency of replacement and the costs associated with it.

2. Motion sensor

- Motion sensors can detect when there are people in the room, turn lights on, and turn them off when the room is empty. This helps reduce the amount of energy wasted when turning on lights in unoccupied rooms.
- Using the installed sensor detects people walking in the corridors of the building's floors, the light will automatically turn on for 1 second. When there is no one, the light will automatically turn off for 5 seconds.
- The emergency staircase and WC areas also use the same electricity saving method as the hallway area mentioned above.

3. Daylight sensor:

- The daylight sensor automatically adjusts the brightness of indoor lighting based on the level of natural light in the room. This reduces the amount of artificial light needed during the day, saving energy and reducing costs.

4. Timer and dimmer

- A timer can be set to turn the light on and off at specific times, while a dimmer allows the light's brightness to be adjusted to suit your needs. Both of these solutions can help reduce energy waste and electricity costs.
- Establishing a timer to enable lighting for OCB signs and billboards at branches/transaction offices and on and off lighting for advertising media images and posters during non-working hours (program lighting for posters to be on from 7:00 a.m. to 5:00 p.m. and for signs and advertisements from 6:00 p.m. to 10:00 p.m. daily).



» BUILDING ENERGY SAVINGS

1. Thermal Insulation

- Adequate insulation for walls, roofs, and floors serves the dual purpose of mitigating heat loss, conserving energy, and facilitating natural temperature regulation.
- Energy conservation measures not only aid in the mitigation of electricity expenses but also make a positive contribution towards the overall reduction of greenhouse gas emissions.

2. Lighting

- Installing energy-efficient lighting fixtures, such as LED lights, and implementing lighting control systems can significantly reduce energy consumption.
- The light will automatically turn on for 1 second when the installation sensor detects people walking in this area; it will turn off after 5 seconds when no one is present (the exact duration of the on and off settings is dependent on the requirements of the intended users).
- The WC has the same energy-saving features as the hallway that we previously discussed.
- Activating the lighting system in observance of administrative staff hours (every day, from 8:00 a.m. to 5:00 p.m.). Implementation is the responsibility of SECURITY PERSONNEL stationed on the levels of the Head Office building and security on duty at Branch/Transaction Offices across the system.
- When there is no meeting, the lighting cannot be left on throughout the meeting room on all floors. The lighting in the meeting room is only to be activated by the staff during the preparation period and deactivated promptly following the conclusion of the meeting.
- Turning off and on lighting for promotional posters and images within the office space at the conclusion of business hours.
- Turning off the lights when leaving the private office for a long time (>30 minutes).

3. HVAC (heating, ventilation, and air conditioning) system

- Installing a high-performance heating, ventilation, and air conditioning (HVAC) system can help reduce energy consumption and reduce energy costs.

4. Windows

- The implementation of high-performance windows featuring soft-coat low E glass may contribute to enhanced energy efficiency and diminished heat loss. The feasibility of this implementation is contingent upon the existing design and site conditions, as well as the available building space.

5. Application of solar panel solutions

- A more innovative solution to conserving electrical energy is to utilize solar panels. Regarded as a significant advancement in harnessing renewable energy sources, solar panels efficiently utilize sunlight to generate electricity.
- Not only does it assist in decreasing reliance on grid power, but it also aids in significant monthly savings on electricity bills, providing financial advantages and contributing to environmental preservation by reducing emissions from fossil fuel sources.

6. Energy Management System

- Installing an energy management system to monitor and control energy consumption can help reduce energy waste and lower energy costs.

7. Water saving equipment

- A more innovative solution to conserving electrical energy is to utilize solar panels. Regarded as a significant advancement in harnessing renewable energy sources, solar panels efficiently utilize sunlight to generate electricity.
- Implementing a pure drinking water supply system, employing a modern technology-based direct automatic water filtration method on work floors, implementing proactive sampling control, and performing periodic equipment maintenance in order to safeguard the environment, reduce energy consumption and costs, ensure user health, and contribute to energy conservation are all components of this approach.

8. Plants & Wall paint colors

- By strategically positioning potted green plants in suitable locations on the floors of the office and applying white paint to the walls, one can establish a harmonious atmosphere that promotes light and comfort while working. This, in turn, enhances the efficiency of a contemporary and aesthetically pleasing workspace while also reducing energy usage.



» FOR ELECTRICAL EQUIPMENT

1. Choose to buy equipment that suits the needs

- It is imperative to prioritize the purchase of low-loss or energy-efficient appliances. When it comes to electrical appliances like water heaters, air conditioners, refrigerators, and televisions, select models that are appropriate in terms of design, size, capacity, function, and capacity. Additionally, refrain from purchasing devices with excessive capacity if their usage is not essential. Priority should also be given to the utilization of devices bearing energy-saving labels.

2. Unplug all devices when not in use

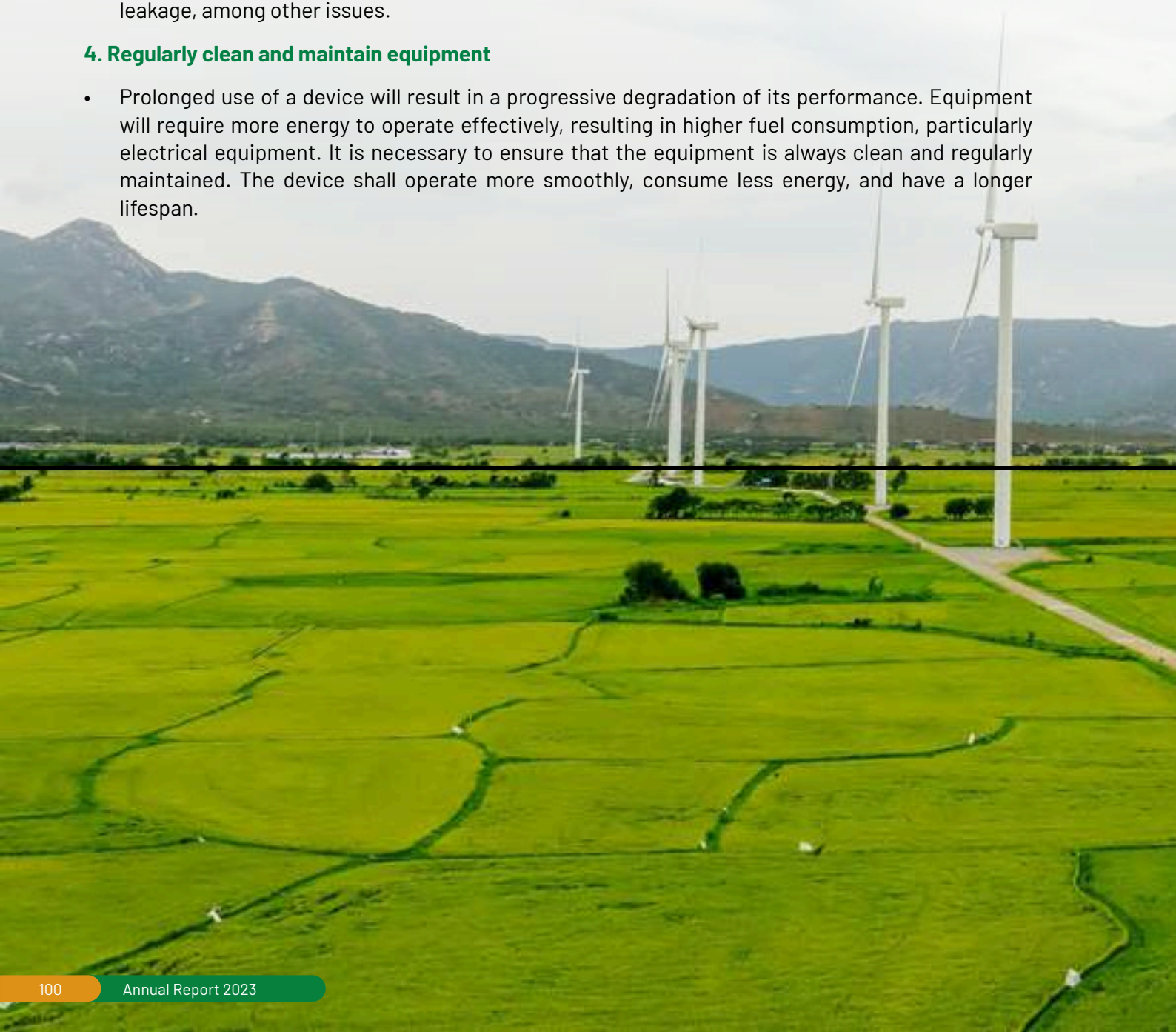
- Unplug electronic devices such as computers, printers, photocopiers, scanners, and sound speaker systems, as well as office equipment including televisions, ventilation, and sound systems, when not in use. This is a practical method of conserving energy.

3. Timely replace old electrical equipment that wastes energy

- It is advisable to inspect and substitute long-used electrical equipment with newly designed equipment that incorporates energy-saving features. This is because, in addition to posing a risk of unexpected closure, outdated equipment also contributes to energy consumption and electricity leakage, among other issues.

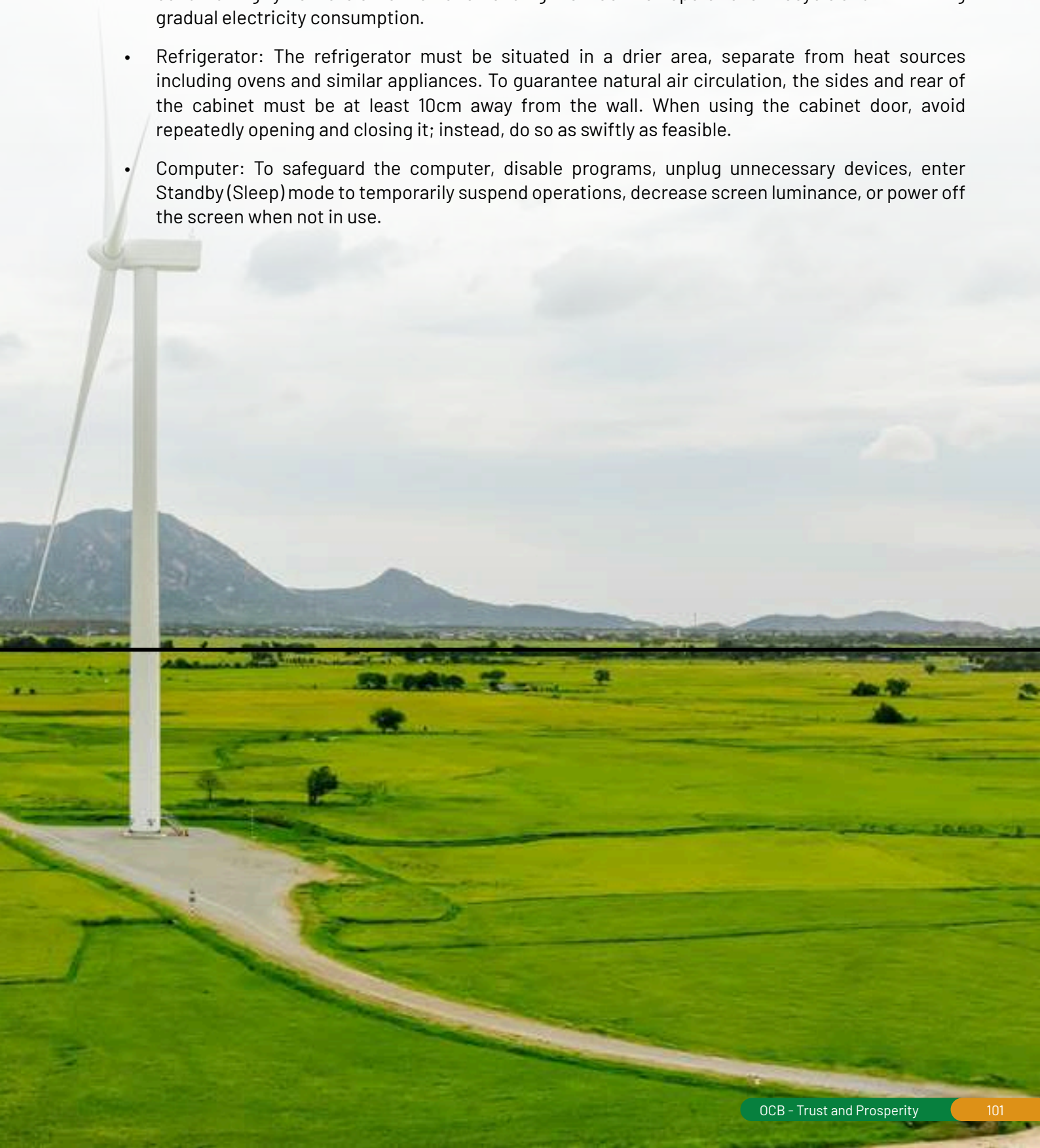
4. Regularly clean and maintain equipment

- Prolonged use of a device will result in a progressive degradation of its performance. Equipment will require more energy to operate effectively, resulting in higher fuel consumption, particularly electrical equipment. It is necessary to ensure that the equipment is always clean and regularly maintained. The device shall operate more smoothly, consume less energy, and have a longer lifespan.



5. How to use common devices to save electricity

- Air conditioner: The recommended temperature for the building is 25 degrees Celsius or higher during the day and 27 degrees Celsius or higher at night (The building's default temperature will be determined by the weather conditions during each climate period in order to accommodate utilization needs, with the exception of the server room, which operates its air conditioner at the specified temperature throughout). Periodic inspection, cleaning, and maintenance of the air conditioning system are essential for extending the machine's operational lifecycle and minimizing gradual electricity consumption.
- Refrigerator: The refrigerator must be situated in a drier area, separate from heat sources including ovens and similar appliances. To guarantee natural air circulation, the sides and rear of the cabinet must be at least 10cm away from the wall. When using the cabinet door, avoid repeatedly opening and closing it; instead, do so as swiftly as feasible.
- Computer: To safeguard the computer, disable programs, unplug unnecessary devices, enter Standby(Sleep) mode to temporarily suspend operations, decrease screen luminance, or power off the screen when not in use.



» TRANSPORTATION

Save gasoline and reduce CO₂ emissions

- Encourage the use of other means of transportation such as walking, cycling, electric vehicles, public transportation or carpooling whenever possible. This is the most effective way to limit fossil fuel consumption.
- When purchasing a new mode of transportation, it is advisable to opt for a model that is fuel-efficient. This applies to various options such as motorbikes, company-owned vehicles, or money carriers for the bank. Additionally, this approach can contribute to the reduction of CO₂ emissions.

» USE OF RECYCLED MATERIALS AND CLASSIFICATION-REUSE

1. Use recycled and biodegradable materials

- Reducing household waste by limiting the use of pre-packaged products.
- Opting for recycled and reused products is a viable option. Reducing waste in the environment also contributes to energy conservation and reduces gas emissions.
- Energy recycling can involve the recycling of fuels (e.g., biodiesel from waste oil), the utilization of energy generated from waste combustion, and the conversion of waste heat from the manufacturing process into electricity. Energy production utilizing recycled materials not only contributes to energy conservation but also mitigates adverse environmental effects.
- Utilizing biodegradable nylon or cloth containers. The manufacturing process of these bags frequently adheres to resource conservation regulations (water, electricity, etc.), resulting in products that are both highly sustainable and capable of multiple reuses. As a result, their utilization contributes significantly to resource conservation.

2. Sort garbage and make every effort to utilize items

- Sorting garbage can increase the number of times that discarded items are utilized. Furthermore, the separation of inorganic and organic waste facilitates expedited waste processing. Therefore, more environmentally friendly.



» RESOURCE SAVING

1. Approve documents electronically rather than on paper

- Preserve paper production resources and storage space, safeguard the environment, and prevent fire and detonation by minimizing the quantity of hard copy paper submitted for approval.

2. Efficiently utilize photo and printing paper while ensuring ink quality.

- Utilize two-sided printing and photocopying paper to create prototypes and documents for internal meetings. Printed materials that are not submitted to leadership or are not of critical importance should be archived in accordance with applicable regulations.
- Utilize printing and photocopying ink pumping services of high quality, and avoid pumping ink of unknown origin that is contaminated with impurities that degrade the quality of printed or photocopied content, shorten the lifespan of frequently used printer and photocopier equipment, incur repair and replacement expenses, and increase energy consumption.

3. Minimize the use of lavatory paper and water

4. To ensure environmental protection and cost savings on materials, utilize toilet paper and personal hygiene water at suitable levels, thereby preventing resource wastage.



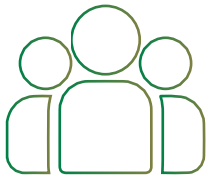
» ENERGY SAVING IN CONSTRUCTION PROJECTS - INTERIOR EQUIPMENT

During the construction and operation of projects, energy saving solutions can be implemented through the following options:

- **Smart building design:** Utilize intelligent design techniques that incorporate insulation materials, maximize natural light, and implement efficient ventilation systems to minimize reliance on air conditioning systems. Choose eco-friendly options and materials for construction and renovation.
- **Use of renewable energy sources:** Installing renewable energy systems such as solar energy to provide electricity for buildings, reducing energy consumption from fossil sources.
- **Energy consumption management:** Use an energy management system to monitor and adjust electricity usage at the construction site by turning off unnecessary equipment and applying energy-saving modes.

GRI 400 SOCIAL STANDARD

» 1. OCB – ORIENTAL CULTURAL IDENTITY



As of December 31, 2023,
the total number employees
of OCB:

6.816 employees

guarantees adequate human resources to support the business and operational endeavors of every unit within the system.

The total number of employees with long-term labor contracts (12 months or more) is

6.365 employees

accounting for 93%; the total number of employees with short-term labor contracts (less than 12 months) is 451, accounting for 7%.



The total number of
male employees is

2.936 employees
accounting for 44%



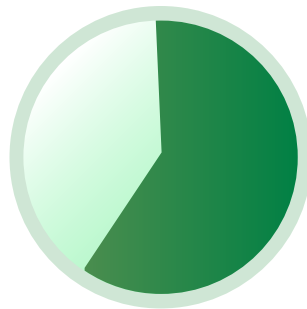
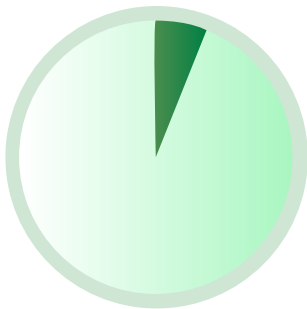
The total number of
female employees is

3.743 employees
accounting for 56%

The total number of employees with full-time contracts (official employees) is

6.642 employees

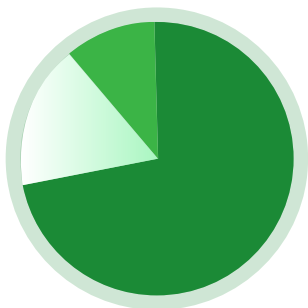
accounting for 97%, the total number of employees with part-time contracts (training contracts) is 174, accounting for 3%.



The ratio of managers to total employees at OCB is 18%

■ Male managers account for 55.5%

■ Female managers account for 44.5%.



■ 4,853 employees (71%) belong to Region 1

■ 1,363 employees (20%) belong to Region 2

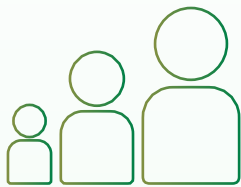
■ 600 employees (8%) belong to Region 3



The regional minimum wage applicable to male and female employees is identical at OCB.

Region	Percentage ration compared to regional minimum	Minimum wage for men	Minimum wage for women
1	Equal to 107% of the regional minimum wage	VND 5.007.600	VND 5.007.600
2	Equal to 108% of the regional minimum wage	VND 4.451.200	VND 4.451.200
3	Equal to 111% of the regional minimum wage	VND 3.894.800	VND 3.894.800

In 2023:



the total number of new hires is

3.439 employees



The number of newly recruited male employees is

1.818 employees

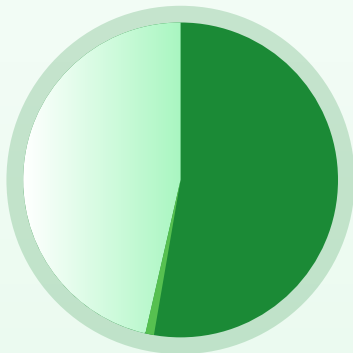
accounting for 52.8%



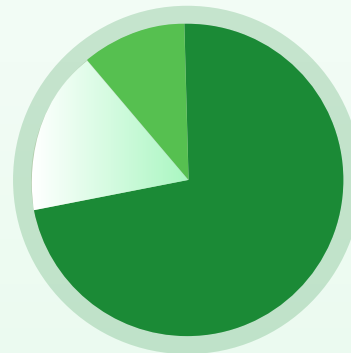
the number of newly recruited female employees is

1.621 employees

accounting for 47,2%



- New recruits younger than 30 years old are 1,748 (accounting for 50.8%)
- New recruits from 30 to 50 years old are 1,683 (accounting for 49%)
- new recruits older than 50 years old are 8 (accounting for 0.2%)



- The number of new recruits in Region 1 is 2,495 (accounting for 72.5%)
- The number of new recruits in Region 2 is 649 (accounting for 18.9%)
- The number of new recruits in Region 3 is 295 (accounting for 8.6%).

Never Still

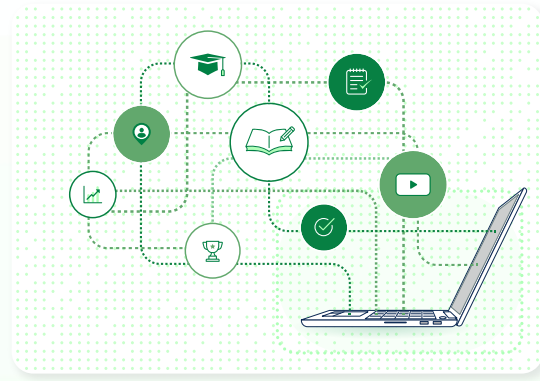


Benefits provided to full-time employees include:

- Health care: Bao Viet Healthcare
- Personal safety insurance (24/24 accident)
- Stock ownership
- Other welfare regimes: monetary birthday gifts, wedding gifts, condolence donations, teambuilding programs, periodical health checks, lucky money on New Year, travel expenses on holidays, periodic health check-ups, preferential credit products for employees, an extension of voluntary health insurance program for employees and their relatives, OCB also pays special attention to female employees on International Women's Day and Vietnamese Women's Day by giving them gifts and coordinating congratulatory activities. In addition, OCB provides activities for employees' families, such as gifts for International Children's Day and the Mid-Autumn Festival, as well as scholarships for employees' children, etc.

» 2. TRAINING AND DEVELOPMENT ACTIVITIES

- OCB consistently advocates for the adoption of diverse training methodologies, including in-person instruction, online instruction, blended learning, hybrid instruction, and e-learning in particular, in order to foster a culture of learning, enhance the caliber of human resources, optimize work processes, and individualize the educational experience for each student.
- Programs for training new hires; Instruction on learning paths for titles; Instruction to enhance the sales force's capacity to sell; Instruction to enhance leadership capabilities. Furthermore, OCB has established the Digital Academy training program with the aim of enhancing the digital competencies of specialized staff in order to support the organization's five-year strategic objectives.



- Creating a culture of active learning is a significant objective that OCB strives to achieve. Numerous employees participate in a variety of initiatives, including a Transformation Round Table program, an OCB Café Talk forum, an O-Ted Talk, a series of Micro Learning seminars on Excel, PowerPoint, English, and leadership, the "I self-study" competition program, and the self-improvement of English skills via the Elsa App. Furthermore, one of the initiatives undertaken by the OCB to promote a culture of learning is the development of internal trainers for each unit and department, the training of all managers in coaching skills, and the establishment of a coaching community known as the OCB Coaching Community.
- One of the primary objectives is to cultivate prospective personnel and establish successors. Potential Specialized Center Director Program, ROM Academy Program, Prospect Relationship/Credit Manager Program, Prospect Service Controller Program, and Potential Credit Service Controller Program are some of the planning programs offered by OCB for its business units. Additionally, the Head Office has plans for adjacent positions, including OCB Line-Up Leader, OCB Talented Banker, and OCB Talented Technologist. In addition to providing training for over 200 prospective employees, these planning initiatives have fulfilled more than 45% of appointment requirements through internal human resources.

Results of Training Activities

In 2023, there was :

390 courses
organized

145 courses
providing knowledge
about skills

245 courses
training courses on products,
operations, and processes

The total average training duration across the system	27,8 hours
The average number of training hours for female employees	15,5 hours
The average number of training hours for male employees	12,3 hours
The average number of training hours for Management Level	41,71 hours
The average number of training hours for Staff Level	25,56 hours



The training budget used to organize training activities in 2023 was

3.718 millions
VND

» 3. INTERNAL ACTIVITIES

In 2023, OCB implemented numerous employee engagement programs, cultural development initiatives, and wellness policies. These included O-Magazine, HR Newsletter, Culture Nudge, Culture Champion, Appreciation, OCB Star, special activities commemorating International Women's Day, Mid-Autumn Festival, October 20, Christmas, employee preferential loan policy, and health risks insurance policy, among others, to increase organizational brand pride, prioritize consumers, and encourage employees to contribute continuously in accordance with OCB's core values while fostering a sense of accountability, innovation, collaboration, and progress.



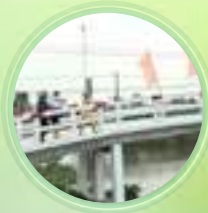
» 4. SOCIAL SECURITY ACTIVITIES

Orient Commercial Joint Stock Bank (OCB), a pioneering brand that proactively and actively implements community responsibility through a series of functional social security and volunteer programs and the dissemination of positive energy to the community, is recognized as one of the joint stock commercial banks operating efficiently, maintaining growth in core business activities, and caring for and accompanying customers in their development.

OCB maintained its position as one of the 30 Largest Taxpayers in Vietnam for the second consecutive year (2021 and 2022) in 2023. This achievement validates OCB's adherence to the stipulations of Vietnamese legislation, pursuit of transparent, sustainable, and stable expansion, provision of prosperous values to stakeholders (including customers, partners, and investors), and contribution to local social security.

Simultaneously, the Bank is consistently at the forefront of and proactive in community-based initiatives, such as sponsoring the "Warm and Loving Tet" program of Yen Mo District, Ninh Binh Province, and the fundraising walking program "For the Poor" of Thu Thiem Ward, Thu Duc City; and supporting disadvantaged children with congenital heart disease through the implementation of two signing agreements with the Understanding the Heart Foundation.

With the companionship of Orient Commercial Joint Stock Bank (OCB) and Understanding the Heart Foundation, there have now been 13 cases of successful surgery. Besides, with thousands of transactions arising each month, it is expected that OCB will continue to sponsor VND 1 billion for meaningful activities of the Understanding the Heart Fund.



CHAPTER

07

NETWORK OF OPERATION



As of December 31, 2023, OCB's network of operation includes:

01 Business Center

57

The infographic features two callout boxes with rounded corners and a green border. The left box contains the number '57' in a large green font, with 'Branches' written below it in a smaller black font. The right box contains the number '101' in a large green font, with 'Transaction Offices' written below it in a smaller black font. Two vertical lines extend downwards from the bottom of these boxes, and several white curved lines arc across the background. The background is a high-angle photograph of a city with a river in the foreground and a dense urban skyline.

Branches

101

Transaction Offices

NETWORK OF OPERATION

ORIENT COMMERCIAL JOINT STOCK BANK

Following over 27 years of operation and expansion, OCB presently comprises over 200 business entities dispersed throughout provinces and significant economic hubs throughout the nation. With a **"Customer-centric"** focus, OCB establishes a large number of new branches and transaction offices (TO) across the nation on an ongoing basis so that customers have easy access to the bank's numerous modern and secure products and services.

The interiors of the newly designed transaction locations adhere to the new brand identity standards of OCB and are furnished with cutting-edge technology and contemporary, sophisticated equipment.

In addition, relocation and the selection of new locations located on central, densely populated roads are also prioritized by the bank. In 2023, OCB was licensed and had completed the opening and operation of 10 transaction points, including 04 new branches in Binh Phuoc, Phu Yen, Ha Tinh, and Thai Binh provinces, 06 new transaction offices under the branches of Ha Thanh, Quang Ninh, Bac Ninh, Ninh Binh, and Tay Ninh.

In particular:

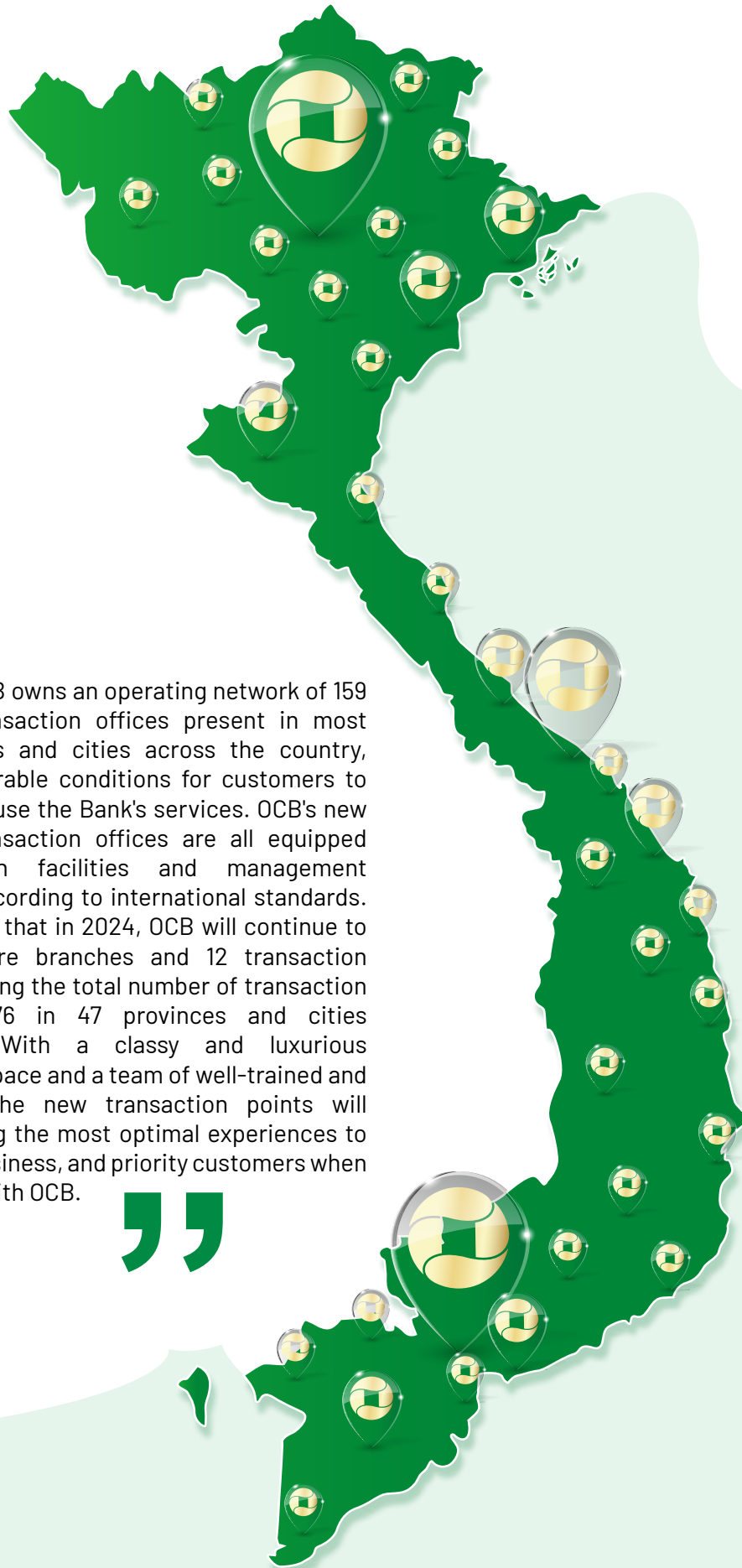
Newly opened branches: Binh Phuoc Branch (No. 482, National Highway 14 Resettlement Area, Phu Thanh Quarter, Tan Phu Ward, Dong Xoai City, Binh Phuoc Province), Phu Yen Branch (294 Tran Hung Dao, Ward 6, Tuy Hoa City, Phu Yen Province), Ha Tinh Branch (No. 22 - 24 Tran Phu Street, Bac Ha Ward, Ha Tinh City, Ha Tinh Province), Thai Binh Branch (Shophouse Vincom PG1-17 Quang Trung Street, De Tham Ward, Thai Binh City, Thai Province Province).

Newly opened Transaction Offices: Bai Chay Transaction Office (486A Ha Long Street, Bai Chay Ward, Ha Long City, Quang Ninh Province), Tu Son Transaction Office (No. 444-446 Tran Phu, Dinh Bang Ward, Tu Son City, Bac Ninh Province), Gia Vien Transaction Office (Resettlement Area, Hong Dan Street, Me Town, Gia Vien District, Ninh Binh Province), Hoa Thanh Transaction Office (35-37 Hung Vuong, Long Hoa Ward, Hoa Thanh Town, Tay Ninh Province), Trang Bang Transaction Office (Apartment A2-A3 Trang Bang Commercial Area, Nguyen Du Street, Trang Bang Ward, Trang Bang Town, Tay Ninh Province), Times City Transaction Office (S0-01 Commercial Floor, Vinhomes Times City Urban Area, No. 458 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City). At the same time, the bank also completed the relocation and opened operations at the new headquarters of 12 units, including: 01 Branch and 11 Transaction Offices. They are Thanh Hoa Branch (Thanh Hoa), Hoi An Transaction Office (Quang Nam), Da Nang South Transaction Office (Da Nang), Thanh Khe Transaction Office (Da Nang), Tan Uyen Transaction Office (Binh Duong), Hoc Mon Transaction Office (Ho City), Chi Minh, Nguyen Son Transaction Office (Ho Chi Minh City), Phu Tho Transaction Office (Ho Chi Minh City), North Da Nang Transaction Office (Da Nang), Quang Trung Transaction Office (Thanh Hoa), Tan Son Transaction Office (Thanh Hoa), Quang Trung HCM Transaction Office (Ho Chi Minh City).

“

Currently, OCB owns an operating network of 159 branches/transaction offices present in most key provinces and cities across the country, creating favorable conditions for customers to transact and use the Bank's services. OCB's new branches/transaction offices are all equipped with modern facilities and management processes according to international standards. It is expected that in 2024, OCB will continue to open 05 more branches and 12 transaction offices, bringing the total number of transaction points to 176 in 47 provinces and cities nationwide. With a classy and luxurious transaction space and a team of well-trained and elite staff, the new transaction points will certainly bring the most optimal experiences to individual, business, and priority customers when transacting with OCB.

”



Name	Address
HEAD OFFICE	The Hallmark, No. 15 Tran Bach Dang, Thu Thiem Ward, Thu Duc City, Ho Chi Minh City
HO CHI MINH CITY BRANCH	Part of the 1st floor and part of the 7th floor of building 123, No. 123-127 Vo Van Tan, Vo Thi Sau Ward, District 3, HCMC.
PHAM VAN HAI TO	Part of the ground floor, 1st floor, 2nd floor of Blue Square building, No. 91 Pham Van Hai, Ward 3, Tan Binh District, HCMC.
NGUYEN THAI BINH TO	194 Nguyen Cong Tru, Nguyen Thai Binh Ward, District 1, HCMC.
MINH KHAI TO	D&D Tower, 458 Nguyen Thi Minh Khai, Ward 2, District 3, HCMC.
BACH DANG TO	117-119 Bach Dang, Ward 15, Binh Thanh District, HCMC.
NGUYEN VAN TROI TO	157 Nguyen Van Troi Street, Ward 11, Phu Nhuan District, HCMC.
BEN THANH BRANCH	Part of the ground floor of Golden Tower Building, No. 06 Nguyen Thi Minh Khai, Da Kao Ward, District 1, HCMC.
THE HALLMARK TO	The Hallmark, No. 15 Tran Bach Dang, Thu Thiem Ward, Thu Duc City, HCMC.
KINH TE TO	135 Tran Hung Dao, Cau Ong Lanh Ward, District 1, HCMC.
DISTRICT 9 TO	No. 95 (former No. 172) Nguyen Van Tang Street, Chan Phuc Cam Quarter, Long Thanh My Ward, Thu Duc City, HCMC.
TRUNG SON TO	GF, mezzanine, and 1F numbers 20-22 Street 9, Trung Son Residential Area, Hamlet 4, Binh Hung Commune, Binh Chanh District, HCMC.
PHU NHUAN BRANCH	146 Le Van Sy, Ward 10, Phu Nhuan District, HCMC.
HOANG VAN THU TO	253 Hoang Van Thu, Ward 2, Tan Binh District, HCMC.
CU CHI TO	No. 93 Provincial Road 8, Cu Chi Town, Cu Chi District, HCMC.
HOC MON TO	Part of House No. 46/1B Ly Thuong Kiet Street, Ward 3, Hoc Mon Town, Hoc Mon District, HCMC.
CHO LON BRANCH	347 Le Dai Hanh, Ward 13, District 11, HCMC.
LY THUONG KIET TO	268 Ly Thuong Kiet, Ward 14, District 10, HCMC.
NGUYEN TRI PHUONG TO	Ground floor, Building B1, 279 Nguyen Tri Phuong, Ward 5, District 10, HCMC.
SAI GON TO	159 To Hien Thanh, Ward 13, District 10, HCMC
GIA DINH BRANCH	Ground floor, Building No. 24C Phan Dang Luu, Vo Thi Sau Ward, Binh Thanh District, HCMC.
GO VAP TO	588 - 590 Phan Van Tri, Ward 7, Go Vap District, HCMC.
PHAM NGOC THACH TO	17 Pham Ngoc Thach, Vo Thi Sau Ward, District 3, HCMC.
QUANG TRUNG HCM TO	311 - 313 Quang Trung Street, Ward 10, Go Vap District, HCMC.
PHO QUANG TO	GM-119D and GM-119E Golden Mansion Project, No. 119 Pho Quang, Ward 9, Phu Nhuan District, HCMC.
PHU LAM BRANCH	549-551 Hong Bang, Ward 14, District 5, HCMC.

Name	Address
HOA BINH TO	No. 270 - 272 Hoa Binh, Hiep Tan Ward, Tan Phu District, HCMC.
BINH TAN TO	No. 253-255 Ten Lua Street, Binh Tri Dong B Ward, Binh Tan District, HCMC.
BINH PHU TO	127-129 Cho Lon, Ward 11, District 6, HCMC.
TAN THUAN BRANCH	252A Nguyen Thi Thap, Tan Quy Ward, District 7, HCMC.
PHU MY HUNG TO	D2-20 Lot R19-1 My Toan 3 Quarter, Tan Phong Ward, District 7, HCMC.
THU DUC BRANCH	751A Kha Van Can, Linh Tay Ward, Thu Duc City, HCMC.
CAT LAI TO	286 Nguyen Thi Dinh, Binh Trung Tay Ward, Thu Duc City, HCMC.
TAN BINH BRANCH	435G - 435H Hoang Van Thu, Ward 4, Tan Binh District, HCMC.
TAN PHU TO	No. 829A and part of House No. 827A Luy Ban Bich, Tan Thanh Ward, Tan Phu District, HCMC.
DISTRICT 4 BRANCH	39-41 Hoang Dieu, Ward 13, District 4, HCMC.
THU THIEM TO	14-16 Tran Nao, Quarter 5, An Phu Ward, Thu Duc City, HCMC.
BAC LIEU BRANCH	442 Tran Phu Street, Group 1, Ward 7, Bac Lieu City, Bac Lieu Province.
TRAN PHU TO	B7- B9 Bac Lieu Trade Center, Ward 3, Bac Lieu City, Bac Lieu Province.
HO PHONG TO	275 National Highway 1A, Hamlet 2, Ho Phong Ward, Gia Rai Town, Bac Lieu Province.
GANH HAO TO	Hamlet 3, Phan Ngoc Hien Street, Ganh Hao Town, Dong Hai District, Bac Lieu Province.
PHUOC LONG TO	Long Thanh Hamlet, Phuoc Long Town, Phuoc Long District, Bac Lieu Province.
SOC TRANG BRANCH	53 Tran Hung Dao Street, Ward 3, Soc Trang City, Soc Trang Province.
LONG PHU TO	No. 203 Doan The Trung Street, Hamlet 3, Long Phu Town, Long Phu District, Soc Trang Province.
CA MAU BRANCH	137K Nguyen Tat Thanh, Ward 8, Ca Mau City, Ca Mau Province.
PHAN NGOC HIEN TO	90 and 90B Tran Hung Dao, Hamlet 7, Ward 5, Ca Mau City, Ca Mau Province.
SONG DOC TO	House No. 9, Song Doc - Ca Mau Road, Cluster 10, Song Doc Town, Tran Van Thoi District, Ca Mau Province.
DAM DOI TO	38-39 Duong Thi Cam Van, Dam Doi Town, Dam Doi District, Ca Mau Province.
KIEN GIANG BRANCH	281-283 Nguyen Trung Truc Street, Vinh Lac Ward, Rach Gia City, Kien Giang Province.
PHU QUOC TO	56 Nguyen Trung Truc, Duong Dong Town, Phu Quoc District, Kien Giang Province.
RACH SOI TO	Lot L4-15 and L4-16 Mai Thi Hong Hanh Street, Rach Soi Ward, Rach Gia City, Kien Giang Province.
RACH GIA TO	No. 223 - 225 Tran Phu, Quarter 3 and No. 86/7 - 86/9 Nguyen Hung Son, Vinh Thanh Van Ward, Rach Gia City, Kien Giang Province.
CAN THO BRANCH	14 - 16B Hoa Binh, An Cu Ward, Ninh Kieu District, Can Tho City.

Name	Address
XUAN KHANH TO	PG1-11, No. 209, 30/4 Street, Xuan Khanh Ward, Can Tho City
AN HOA TO	153-155 Cach Mang Thang Tam, An Hoa Ward, Ninh Kieu District, Can Tho City
THOT NOT TO	150, National Highway 91, Phung Thanh 1 Area, Thot Not Ward, Thot Not District, Can Tho City
TRAN HUNG DAO TO	67-69 Tran Hung Dao, An Cu Ward, Ninh Kieu District, Can Tho City
VINH LONG BRANCH	81-83 Pham Thai Buong, Ward 4, Vinh Long City, Vinh Long Province
VUNG LONG TO	No. 168 and 170 Nam Ky Khoi Nghia Street, Group 2, Vung Liem Town, Vung Liem District, Vinh Long Province.
DONG THAP BRANCH	No. 109-111-113 Nguyen Hue, My Phu Ward, Cao Lanh City, Dong Thap Province
SA DEC TO	No. 166-168 Hung Vuong Street, Ward 2, Sa Dec City, Dong Thap Province
AN GIANG BRANCH	54 Tran Hung Dao, My Binh Ward, Long Xuyen City, An Giang Province
TAN CHAU TO	104 Ton Duc Thang, Long Thanh Ward, Tan Chau Town, An Giang Province
CHAU DOC TO	76-78 Nguyen Van Thoai Street, Chau Phu A Ward, Chau Doc Town, An Giang Province
THOAI SON TO	499-501 Nguyen Hue Street, Dong Son 2 Hamlet, Nui Sap Town, Thoai Son District, An Giang Province
HAU GIANG BRANCH	PG1-20 Vincom shophouse Vi Thanh, No. 1, 3/2 Street, Ward 5, Hau Giang City, Hau Giang Province
LONG AN BRANCH	202-204 Hung Vuong Street, Ward 2, Tan An City, Long An Province
BEN LUC TO	188-190 Quarter 2, Nguyen Huu Tho Street, Ben Luc Town, Ben Luc District, Long An Province
DUC HOA TO	200C, Area 3, Duc Hoa Town, Duc Hoa District, Long An Province
CAN GIUOC TO	75 Quarter 2, Highway 50, Can Giuoc Town, Can Giuoc District, Long An Province
BINH DUONG BRANCH	233 Quarter 2, Binh Duong Avenue, Phu Tho Ward, Thu Dau Mot Town, Binh Duong Province
DI AN TO	No. 30, Street 9, HC Central Urban Area, Di An City, Nhi Dong 2 Quarter, Di An Ward, Binh Duong Province
THUAN AN TO	No. 141 Bis, Dong Tu Quarter, Lai Thieu Ward, Thuan An City, Binh Duong Province
TAN UYEN TO	49 Binh Hoa 1 Quarter, Tan Phuoc Khanh Ward, Tan Uyen Town, Binh Duong Province
BEN CAT TO	72 Hung Vuong, Quarter 1, My Phuoc Ward, Ben Cat Town, Binh Duong Province
DONG NAI BRANCH	K27 – K50, Quarter 7, Vo Thi Sau Street (Extended Road 5), Thong Nhat Ward, Bien Hoa City, Dong Nai Province
BIEN HOA TO	No. 34D – 34E CMT8 Street, Quang Vinh Ward, Bien Hoa City, Dong Nai Province
TAN HIEP TO	Lot 25 – 26 Dong Khoi, Quarter 4, Tan Hiep Ward, Bien Hoa City, Dong Nai Province

Name	Address
TRANG BOM TO	B21-B22 Nguyen Huu Canh, Trang Bom Town, Trang Bom District, Dong Nai Province
TRUNG VIET BRANCH	34-36 Quang Trung Street, Thach Thang Ward, Hai Chau District, Danang City
HAI CHAU TO	92 Chi Lang Street, Hai Chau 2 Ward, Hai Chau District, Danang City
NORTH DA NANG TO	No. 79 – 81 Nguyen Sinh Sac, Hoa Minh Ward, Lien Chieu District, Da Nang City
2 THANG 9 TO	Part of House 86, 2/9 Street, Binh Hien Ward, Hai Chau District, Da Nang City
THANH KHE TO	135 Dien Bien Phu Street, Chinh Gian Ward, Thanh Khe District, Da Nang City
SOUTH DA NANG TO	45 – 47 – 49 Nguyen Phuoc Lan, Hoa Xuan Ward, Cam Le District, Danang City
SON TRA TO	1011 Ngo Quyen, An Hai Dong Ward, Son Tra District, Danang City
KHANH HOA BRANCH	No. 89 - 89 A Yersin, Phuong Sai Ward, Nha Trang City, Khanh Hoa Province
23 THANG 10 TO	No. 406, 23 Thang 10 Str., Vinh Hiep Commune, Nha Trang City, Khanh Hoa Province
HOANG DIEU TO	38 Street 6C, Phuoc Long Ward, Nha Trang District, Khanh Hoa Province
CAM RANH TO	No. 84, 22/8 Street, Cam Thuan Ward, Cam Ranh City, Khanh Hoa Province
DAK LAK BRANCH	269 Le Hong Phong, Thong Nhat Ward, Buon Ma Thuot City, Dak Lak Province
EAHLEO TO	570 - 572 Giai Phong Street, Ea Drang Town, Ea H'leo District, Dak Lak Province
EATAM TO	429 Le Duan Street, Buon Ma Thuot City, Dak Lak Province
EAKAR TO	101 Nguyen Tat Thanh, EaKar Town, EaKar District, Dak Lak Province
QUANG NAM BRANCH	Lot D41-42, Extended N10 Road, Tam Ky Commercial Center Area, Phuoc Hoa Ward, Tam Ky City, Quang Nam Province
HOI AN TO	No. 540 Hai Ba Trung, Tan An Ward, Hoi An City, Quang Nam Province
NUI THANH (DIEN BAN) TO	34 Tran Nhan Tong, Vinh Dien Ward, Dien Ban Town, Quang Nam Province
HA NOI BRANCH	No. 28 Cat Linh, Cat Linh Ward, Dong Da District, Hanoi City
TRANG AN TO	Part of the 1st floor and part of the 6th floor at 165 Thai Ha, Lang Ha Ward, Dong Da District, Hanoi City
DONG DO TO	1st Floor, 2nd Floor and 3rd Floor, Building 86-88 Dong Cac, O Cho Dua Ward, Dong Da District, Hanoi City
SAO VIET TO	Part of the 1st floor, Building HH4, Song Da Twin Tower, Pham Hung Street, Nam Tu Liem District, Hanoi City
VAN QUAN TO	Part of the 1 st floor and part of the 5 th floor of the New SkyLine building, lot CC2, Van Quan - Yen Phuc Urban Area, Van Quan Ward, Ha Dong Dist., Hanoi City.
TIMES CITY TO	Trading Floor SO-01, House No. T01, Vinhomes Times City Urban Area, No. 458 Minh Khai, Vinh Tuy Ward, Hai Ba Trung District, Hanoi City
THANG LONG BRANCH	Building 66A, Tran Hung Dao Street, Tran Hung Dao Ward, Hoan Kiem District, Hanoi City

Name	Address
HAI PHONG BRANCH	No. 93 Tran Phu, Cau Dat Ward, Ngo Quyen District, Hai Phong City
NGO QUYEN TO	Plot 11, Lot 22B, Urban Area at the intersection of Cat Bi Airport, Dong Khe Ward, Ngo Quyen District, Hai Phong City
LACH TRAY TO	No. 201A-203-203B Lach Tray, Lach Tray Ward, Ngo Quyen District, Hai Phong City
LE CHAN TO	No. 278Q-278H Tran Nguyen Han Street, Niem Nghia Ward, Le Chan District, Hai Phong City
BA RIA VUNG TAU BRANCH	No. 148 Le Hong Phong, Ward 4, Vung Tau City, Ba Ria-Vung Tau Province
BA RIA TO	No. 233 Cach Mang Thang Tam Street, Phuoc Hiep Ward, Ba Ria City, Ba Ria - Vung Tau Province
RACH DUA TO	No. 313, 30/4 Street, Rach Dua Ward, Vung Tau City, Ba Ria - Vung Tau Province
PHU MY TO	No. 292 Doc Lap Street, Quang Phu Quarter, Phu My Ward, Phu My Town, Ba Ria Vung Tau Province
QUANG NINH BRANCH	607 Le Thanh Tong Street, Bach Dang Ward, Ha Long City, Quang Ninh Province
CAM PHA TO	No. 164 Tran Phu, Cam Tay Ward, Cam Pha City, Quang Ninh Province.
UONG BI TO	No. 308 Quang Trung Str., Quang Trung Ward, Uong Bi City, Quang Ninh Province
BAI CHAY TO	486A Ha Long Street, Bai Chay Ward, Ha Long City, Quang Ninh Province
THANH HOA TO	Part of the 1 st floor, mezzanine, 2 nd and 3 rd floors of Lot 01 - 02, Hac Thanh Tower project, Phan Chu Trinh Street, Dien Bien Ward, Thanh Hoa City, Thanh Hoa Province
TAN SON TO	Part of the 1 st , 2 nd and 3 rd floors of the Building, Lot 24-25, Le Hoan Street, Dien Bien Ward, Thanh Hoa City, Thanh Hoa Province
QUANG TRUNG TO	No. 321 Quang Trung 2, Dong Ve Ward, Thanh Hoa City, Thanh Hoa Province
LAM SON TO	No. 380 Le Lai, Dong Son Ward, Thanh Hoa City, Thanh Hoa Province
NGHE AN BRANCH	No. 07 Le Hong Phong Street, Hung Binh Ward, Vinh City, Nghe An Province
VINH TO	Lot A-19, Golden City 10 Residential Area, Mai Hac De Street, Quan Bau Ward, Vinh City, Nghe An Province
HUNG DUNG TO	No. 118 Nguyen Phong Sac Street, Hung Dung Ward, Vinh City, Nghe An Province
DIEN CHAU TO	Block 3, Dien Chau Town, Dien Chau District, Nghe An Province
QUANG NGAI BRANCH	No. 134 Hung Vuong, Tran Phu Ward, Quang Ngai City, Quang Ngai Province
BINH SON TO	No. 332 Pham Van Dong, Chau O Town, Binh Son District, Quang Ngai Province
SONG VE TO	No. 17-19 Pham Van Dong, Song Ve Town, Tu Nghia District, Quang Ngai Province
LANG SON BRANCH	No. 483 Ba Trieu Street, Vinh Trai Ward, Lang Son City, Lang Son Province
BAC NINH BRANCH	No. 10 Nguyen Dang Dao, Tien An Ward, Bac Ninh City, Bac Ninh Province
TU SON TO	1 st Floor and 2 nd Floor of Building No. 444 - 446 Tran Phu, Dinh Bang Ward, Tu Son City, Bac Ninh Province

Name	Address
NINH BINH BRANCH	No. 850 Tran Hung Dao Street, Tan Thanh Ward, Ninh Binh City, Ninh Binh Province
GIA VIEN TO	Resettlement area, Hong Dan Street, Pho Moi, Me Town, Gia Vien District, Ninh Binh Province
NINH SON TO	No. 718 Nguyen Cong Tru, Ninh Son Ward, Ninh Binh City, Ninh Binh Province
THAI NGUYEN BRANCH	Part of the 1 st floor and part of the 2 nd floor, No. 25 Hoang Van Thu Street, Phan Dinh Phung Ward, Thai Nguyen City, Thai Nguyen Province
PHO YEN TO	No. 173 Truong Chinh Street, Ba Hang Ward, Pho Yen City, Thai Nguyen Province
PLEIKU BRANCH	40C Hung Vuong, Ia Kring Ward, Pleiku City, Gia Lai Province
BIEN HO TO	12 Vo Van Kiet, Group 7, Yen The Ward, Pleiku City, Gia Lai Province
VINH PHUC BRANCH	Part of the 1 st and 2 nd floors at 392 Me Linh, Lien Bao Ward, Vinh Yen City, Vinh Phuc Province
BINH DINH BRANCH	463 Tran Hung Dao, Le Hong Phong Ward, Quy Nhon City, Binh Dinh Province
LONG BIEN BRANCH	127 Nguyen Van Cu, Ngoc Lam Ward, Long Bien District, Hanoi City
CAU GIAY BRANCH	Floor 1 and Floor 2, No. 69 Hoang Quoc Viet, Nghia Do Ward, Cau Giay District, Hanoi City.
TAY NINH BRANCH	No. 348, April 30 Street, Quarter 1, Ward 3, Tay Ninh City, Tay Ninh Province
TRANG BANG TO	Apartment A2-A3 Trang Bang Commercial Area, Nguyen Du Street, Trang Bang Ward, Trang Bang Town, Tay Ninh Province
HOA THANH TO	35 – 37 Hung Vuong, Long Hoa Ward, Hoa Thanh Town, Tay Ninh Province
DA LAT BRANCH	No. 24 Hai Ba Trung, Ward 6, Da Lat City, Lam Dong Province
LINH DAM BRANCH	No. 10BT1 Linh Dam, Thinh Liet Ward, Hoang Mai District, Ha Noi City
HUE BRANCH	No. 117 Nguyen Hue, Phu Nhuan Ward, Hue City, Thua Thien Hue Province
HA THANH (KIM MA) BRANCH	Part of the 1 st floor, part of the 2 nd floor at 265 Cau Giay Street, Dich Vong, Cau Giay District, Hanoi
HUNG YEN BRANCH	1 st Floor No. 76-78 and 80 Nguyen Binh Street, Nhan Hoa Ward, My Hao Town, Hung Yen Province
HA NAM BRANCH	No. 260 Le Cong Thanh, Minh Khai Ward, Phu Ly City, Ha Nam Province
BAC GIANG BRANCH	No. 273 Nguyen Thi Luu, Ngo Quyen Ward, Bac Giang City, Bac Giang Province
BINH THUAN BRANCH	No. 349 Tran Hung Dao, Binh Hung Ward, Phan Thiet City, Binh Thuan Province.
BINH PHUOC BRANCH	No. 482, National Highway 14 Resettlement Area, Phu Thanh Quarter, Tan Phu Ward, Dong Xoai City, Binh Phuoc Province
THAI BINH BRANCH	Shophouse Vincom PG1 – 17, Quang Trung Street, De Tham Ward, Thai Binh City, Thai Binh Province
HA TINH BRANCH	No. 22 – 24 Tran Phu Street, Bac Ha Ward, Ha Tinh City, Ha Tinh Province
PHU YEN BRANCH	294 Tran Hung Dao, Ward 6, Tuy Hoa City, Phu Yen Province.

CHAPTER

08

FINANCIAL STATEMENTS AND NOTES



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GENERAL INFORMATION

Orient Commercial Joint Stock Bank

GENERAL INFORMATION

THE BANK

Orient Commercial Joint Stock Bank ("the Bank") is a joint stock commercial bank established in the Socialist Republic of Vietnam.

The Bank was established pursuant to Banking License No. 0061/NH-GP dated 13 April 1996 issued by the State Bank of Vietnam ("the SBV") and Business Registration Certificate No. 0300852005 issued by Department of Planning and Investment of Ho Chi Minh city which was amended for the 39th time on 08 December 2023. The Bank started operation on 13 April 1996 with an operation period of 99 years.

The Bank's principal activities include mobilising short-term, medium-term and long-term deposits from various organisations and individuals in the form of term deposits and demand deposits in Vietnam Dong and foreign currencies; receiving entrusted funds from domestic organisations; taking borrowings from the SBV and other credit institutions; granting short-term, medium-term and long-term loans to various organisations and individuals based on the Bank's nature and capacity of the capital resources; discounting of commercial papers, bonds and valuable papers; venturing capital and joint-venture, buying shares under the current regulations; conducting payment transactions services; conducting foreign currency and gold trading transactions, international trade finance service; mobilising overseas sources of funds and other international banking services with overseas counterparties as approved by the SBV; performing insurance agency services following current regulations; trading bonds following current regulations; providing credit facility under form of discounting, re-discounting of transferrable instruments; re-discounting of valuable papers; issuing credit cards; providing bank guarantees; opening current accounts for customers; opening current account at the SBV; opening current accounts at other credit institutions, foreign bank branches; conducting internal settlement system, participating in the national interbank settlement system; providing cash management service, banking and financial consulting, services of keeping and managing precious assets, renting safe boxes; consulting on corporate finance, acquisition, consolidation, merger and investment consulting; bidding for Treasury bills, transferrable instruments, Government bonds, the SBV's bills and other valuable documents in the monetary market; providing monetary brokerage service; issuing certificates of deposits, bills, bonds, promissory notes to mobilise funds under the Law on Credit Institutions, Law on Securities, Government's regulations and guidance of the SBV; depositing, receiving funds from other credit institutions, foreign bank branches, domestic and foreign financial organisations under current regulation and guidance from the SBV; performing entrusted, agency activities in banking operation, insurance, managing assets in accordance with the prevailing regulations and guidance from the SBV; purchasing debts and trading gold; service of receiving and paying foreign currencies.

BOARD OF DIRECTORS

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

<i>Name</i>	<i>Position</i>	<i>Date of appointment/reappointment</i>
Mr. Trinh Van Tuan	Chairman	Reappointed on 30 June 2020
Mr. Yoshizawa Toshiki	Member	Appointed on 30 June 2020
Ms. Trinh Thi Mai Anh	Member	Appointed on 30 June 2020
Mr. Pham Tri Nguyen	Independent member	Appointed on 30 June 2020
Mr. Bui Minh Duc	Independent member	Appointed on 30 June 2020
Mr. Ngo Ha Bac	Member	Reappointed on 30 June 2020
Mr. Phan Trung	Member	Reappointed on 30 June 2020
Mr. Kato Shin	Member	Appointed on 28 April 2023
Mr. Nguyen Dinh Tung	Member	Appointed on 28 April 2023

Orient Commercial Joint Stock Bank

GENERAL INFORMATION (continued)

BOARD OF SUPERVISION

Members of the Board of Supervision during the year and at the date of this report are:

<u>Name</u>	<u>Position</u>	<u>Date of appointment/reappointment</u>
Ms. Nguyen Thi Thuy Minh	Head	Appointed on 30 June 2020
Ms. Dang Thi Quy	Member	Reappointed on 30 June 2020
Mr. Pham Quang Vinh	Member	Reappointed on 30 June 2020

MANAGEMENT AND CHIEF ACCOUNTANT

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

<u>Name</u>	<u>Position</u>	<u>Date of appointment/ reappointment/Resignation</u>
Mr. Nguyen Dinh Tung	General Director	Reappointed on 23 August 2021
Mr. Truong Dinh Long	Deputy General Director	Reappointed on 1 July 2022
Ms. Huynh Le Mai	Deputy General Director	Reappointed on 1 January 2024
Mr. Truong Thanh Nam	Deputy General Director	Reappointed on 15 August 2023
Mr. Bui Thanh Trung	Deputy General Director	Reappointed on 28 July 2023
Mr. Nguyen Van Huong	Deputy General Director	Appointed on 2 January 2023
Ms. Truong Ngoc Thanh	Head Accountant	Appointed on 28 July 2023
		Resigned on 11 September 2023
Mr. Tran Quoc Khanh	Head Accountant	Appointed on 11 September 2023
		Resigned on 15 December 2023
Mr. Roy Anirban	Deputy General Director	Resigned on 1 February 2023

LEGAL REPRESENTATIVE

The legal representatives of the Bank during the year end and as at the date of this report are Mr. Trinh Van Tuan, Chairman.

Mr. Nguyen Dinh Tung - General Director is authorized by Chairman of Board of Directors to sign off the accompanying consolidated financial statements for the year ended 31 December 2023 according to Authorization Letter No. 48/2019/UQ-CT.HĐQT dated 01 December 2019.

AUDITORS

The auditor of the Bank is Ernst & Young Vietnam Limited.

REPORT OF MANAGEMENT

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

MANAGEMENT'S RESPONSIBILITY IN RESPECT OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

- ▶ select suitable accounting policies and then apply them consistently;
- ▶ make judgements and estimates that are reasonable and prudent;
- ▶ state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the consolidated financial statements; and
- ▶ prepare the consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue its business.

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 to ensure that the accounting records comply with the applied accounting system. It is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

STATEMENT BY MANAGEMENT

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



Mr. Nguyen Dinh Tung
General Director

Ho Chi Minh City, Vietnam

25 March 2024



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3.5084

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INDEPENDENT AUDITOR'S REPORT



Ernst & Young Vietnam Limited
20th Floor, Bitexco Financial Tower
2 Hai Trieu Street, District 1
Ho Chi Minh City, S.R. of Vietnam

Tel: +84 28 3824 5252
Fax: +84 28 3824 5250
ey.com

Reference: 60758138/67591350-HN

INDEPENDENT AUDITORS' REPORT

To: The Shareholders of Orient Commercial Joint Stock Bank

We have reviewed the accompanying consolidated financial statements of Orient Commercial Joint Stock Bank ("the Bank"), as prepared on 25 March 2024 and set out on pages 6 to 75 which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statement of profit or loss and the consolidated cash flow statement for the year ended and the notes thereto.

Management's responsibility

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

Auditors' responsibility

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the separate financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the separate financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Bank's preparation and fair presentation of the separate 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 management, as well as evaluating the overall presentation of the separate financial statements.

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

INDEPENDENT AUDITOR'S REPORT (Continued)



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 the Bank and its subsidiaries as at 31 December 2023, and of the consolidated results of their operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions and other statutory requirements relevant to the preparation and presentation of the consolidated financial statements.



Ernst & Young Vietnam Limited
Ma Thiên Dung
Deputy General Director
Audit Practicing Registration
Certificate No. 3221-2020-004-1

Hoang Thi Hong Minh
Auditor
Audit Practicing Registration
Certificate No. 0761-2023-004-1

Ho Chi Minh City, Vietnam

25 March 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Orient Commercial Joint Stock Bank

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
as at 31 December 2023

B02/TCTD-HN

	<i>Notes</i>	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
ASSETS			
Cash, gold and gemstones	5	779,733,563,086	793,464,354,495
Balances with the State Bank	6	6,965,365,039,785	3,225,386,957,711
Deposits and loans to other credit institutions		33,900,216,479,510	20,636,255,208,899
Deposits at other credit institutions	7.1	32,303,914,945,061	18,426,225,031,606
Loans to other credit institutions	7.2	1,596,301,534,449	2,210,030,177,293
Securities held for trading	8	-	142,837,500,000
Securities held for trading		-	142,837,500,000
Derivatives instruments and other financial assets	9	41,473,565,365	360,044,007,067
Loans to customers		144,704,316,896,607	118,220,309,912,203
Loans to customers	10	147,206,466,215,571	119,802,569,762,625
Provision for credit loss of loans to customers	11	(2,502,149,318,964)	(1,582,259,850,422)
Purchased debts	12	546,768,250,000	661,997,500
Purchased debts		550,900,000,000	667,000,000
Provision for credit loss of purchased debts		(4,131,750,000)	(5,002,500)
Investment securities	13	40,291,755,021,791	37,333,104,826,049
Available-for-sale securities		40,331,397,720,516	37,367,365,873,931
Provision for investment securities		(39,642,698,725)	(34,261,047,882)
Fixed assets	14	554,565,039,650	583,606,445,091
Tangible fixed assets	14.1	269,540,873,296	278,874,747,262
Cost		783,657,134,113	739,580,060,425
Accumulated depreciation		(514,116,260,817)	(460,705,313,163)
Intangible fixed assets	14.2	285,024,166,354	304,731,697,829
Cost		581,433,546,142	555,866,230,889
Accumulated amortization		(296,409,379,788)	(251,134,533,060)
Other assets	15	12,330,080,871,665	12,698,566,641,677
Receivables	15.1, 15.2	7,866,786,309,830	7,370,512,044,658
Interest and fee receivable	15.3	2,528,258,177,998	1,936,731,434,792
Other assets	15.4	1,939,836,383,837	3,396,123,162,227
Provision for other assets	15.5	(4,800,000,000)	(4,800,000,000)
TOTAL ASSETS		240,114,274,727,459	193,994,237,850,692

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

Orient Commercial Joint Stock Bank

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2023

B02/TCTD-HN

CONSOLIDATED OFF-BALANCE SHEET ITEMS

	Notes	Ending balance VND	Beginning balance VND
Contingent liabilities	38	166,218,248,044,071	80,901,204,928,532
- Credit guarantees		27,951,235,279	30,720,268,951
- Foreign exchange commitments		158,389,419,615,570	66,176,116,111,944
<i>Spot foreign exchange commitments - buy</i>		296,243,446,052	379,375,922,149
<i>Spot foreign exchange commitments - sell</i>		296,226,105,852	380,196,244,471
<i>Swap contracts</i>		157,796,950,063,666	65,416,543,945,324
- Letters of credit		1,285,464,740,750	3,402,915,058,466
- Other guarantees		6,515,412,452,472	9,424,253,489,171
- Other commitments		-	1,867,200,000,000
Uncollected interest and receivable fees	39	2,687,354,712,757	3,247,291,248,287
Written-off debts	40	10,211,698,707,052	7,794,649,149,386
Other assets and documents	41	27,283,410,619,395	31,352,810,601,975
		206,400,712,083,275	123,295,955,928,180

Preparer:



Ms. Truong Ngoc Thanh
Head of Accounting
Department

Reviewer:



Mr. Nguyen Van Cuong
Chief Financial Officer

Approver:



Mr. Nguyen Dinh Tung
General Director



Ho Chi Minh City, Vietnam

25 March 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (Continued)

Orient Commercial Joint Stock Bank

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)
as at 31 December 2023

B02/TCTD-HN

	<i>Notes</i>	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
LIABILITIES			
Amounts due to the Government and the State Bank		94,394,453,562	2,594,629,745,606
Deposits and borrowings from the Government, the State Bank	16	94,394,453,562	2,594,629,745,606
Deposits and borrowings from other credit institutions		31,039,865,195,767	22,638,642,858,433
Deposits from other credit institutions	17.1	27,227,630,888,883	20,066,839,186,311
Borrowings from other credit institutions	17.2	3,812,234,306,884	2,571,803,672,122
Customer deposits	18	125,945,932,418,559	102,203,189,310,223
Grants, entrusted funds and loans exposed to risks	19	4,358,195,253,813	3,168,474,390,481
Valuable papers issued	20	37,808,325,000,000	32,022,737,500,000
Other liabilities		12,331,858,934,888	6,094,324,663,117
Interest and fee payable	21	4,694,175,199,277	2,882,487,376,181
Other payables	22	7,637,683,735,611	3,211,837,286,936
TOTAL LIABILITIES		211,578,571,256,589	168,721,998,467,860
OWNERS' EQUITY			
Capital		20,601,514,927,348	15,401,514,927,348
Charter capital	24.2	20,548,242,940,000	13,698,828,630,000
Share premium	24.1	53,271,987,348	1,702,686,297,348
Reserves	24.3	2,588,756,524,494	2,793,404,054,952
Undistributed profits		5,345,432,019,028	7,077,320,400,532
TOTAL OWNERS' EQUITY	24	28,535,703,470,870	25,272,239,382,832
TOTAL LIABILITIES AND OWNERS' EQUITY		240,114,274,727,459	193,994,237,850,692

CONSOLIDATED STATEMENT OF PROFIT OR LOSS

Orient Commercial Joint Stock Bank

CONSOLIDATED STATEMENT OF PROFIT OR LOSS
for the year ended 31 December 2023

B03/TCTD-HN

	Notes	Current year VND	Previous year VND
Interest and similar income	26	18,126,740,691,299	14,067,732,085,064
Interest and similar expenses	27	(11,361,222,432,425)	(7,120,149,043,887)
Net interest and similar income		6,765,518,258,874	6,947,583,041,177
Fee and commission income		997,503,692,240	1,124,580,409,488
Fee and commission expenses		(115,440,748,295)	(110,406,103,023)
Net fee and commission income	28	882,062,943,945	1,014,174,306,465
Net gain from trading of foreign currencies	29	389,064,968,099	145,113,883,664
Net gain/(loss) from securities held for trading	30	1,496,347,500	(77,265,017,750)
Net gain/(loss) from investment securities	31	646,561,649,571	(140,196,342,607)
Other operating income		1,499,975,125,029	783,661,855,763
Other operating expenses		(1,246,552,733,976)	(139,500,228,447)
Net gain from other operating activities	32	253,422,391,053	644,161,627,316
TOTAL OPERATING INCOME		8,938,126,559,042	8,533,571,498,265
OPERATING EXPENSES	33	(3,171,425,038,560)	(3,076,802,357,805)
Net profit before provision for credit losses		5,766,701,520,482	5,456,769,140,460
Provision expense for credit losses		(1,627,225,365,223)	(1,067,461,492,385)
PROFIT BEFORE TAX		4,139,476,155,259	4,389,307,648,075
Current corporate income tax expense	34	(836,173,454,643)	(879,589,703,439)
Corporate income tax expense		(836,173,454,643)	(879,589,703,439)
PROFIT AFTER TAX		3,303,302,700,616	3,509,717,944,636
Basic earnings per share (VND/share)	25	1,594	1,689

Preparer:



Ms. Truong Ngoc Thanh
Head of Accounting
Department

Reviewer:



Mr. Nguyen Van Cuong
Chief Financial Officer

Approver:



Mr. Nguyen Dinh Tung
General Director



Ho Chi Minh City, Vietnam

25 March 2024

CONSOLIDATED CASH FLOW STATEMENT

Orient Commercial Joint Stock Bank

CONSOLIDATED CASH FLOW STATEMENT
for the year ended 31 December 2023

B04/TCTD-HN

	Notes	Current year VND	Previous year VND
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest and similar receipts		17,929,055,213,599	13,591,395,433,199
Interest and similar payments		(9,438,709,686,228)	(6,470,355,792,631)
Net fee and commission receipts		871,248,051,788	1,014,151,753,665
Net receipts/payments from dealing in foreign currencies, gold and securities trading activities		1,042,504,616,013	(50,123,024,708)
Other income		239,809,079,594	310,477,615,501
Recoveries from bad debts previously written-off	32	86,690,315,928	351,078,636,811
Payments for operating and salary expenses		(3,110,171,374,359)	(2,993,178,684,445)
Corporate income tax paid during the year	23	(865,017,764,120)	(873,300,189,630)
Net cash flows from operating profit before changes in operating assets and liabilities		6,755,408,452,215	4,880,145,747,762
Changes in operating assets			
Decrease/(Increase) in deposits and loans to other credit institutions		613,728,642,844	(746,913,298,251)
(Increase)/decrease in investment securities		(2,821,194,346,585)	8,035,225,446,983
Decrease/(increase) in other derivative and financial assets		318,570,441,702	(234,237,166,707)
Increase in loans to customers		(25,046,204,474,079)	(17,751,836,724,170)
Utilization of provision to write off	11	(703,276,451,916)	(601,301,819,126)
Increase in other assets		(1,764,715,431,571)	(644,320,388,069)
Changes in operating liabilities			
(Decrease)/Increase in amounts due to the Government and the State Bank		(2,500,235,292,044)	2,464,022,788,555
Increase/(Decrease) in deposits and borrowings from other credit institutions		8,401,222,337,334	(9,399,381,469,144)
Increase in customer deposits		23,742,743,108,336	3,398,576,534,679
Increase in valuable papers issued		5,785,587,500,000	9,394,087,500,000
Increase/(decrease) in other borrowed and entrusted funds		1,189,720,863,332	(1,827,928,447,788)
Increase in other liabilities		2,670,662,148,197	1,322,779,530,704
Utilization of funds	22	(6,547,777,779)	(7,173,752,799)
Net cash flows from/(used in) operating activities		16,635,469,719,986	(1,718,255,517,371)

CONSOLIDATED CASH FLOW STATEMENT (Continued)

Orient Commercial Joint Stock Bank

CONSOLIDATED CASH FLOW STATEMENT (continued)
for the year ended 31 December 2023

B04/TCTD

Notes	Current year VND	Previous year VND
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchases of fixed assets	(381,839,983,500)	(3,134,726,710,532)
Proceeds from disposal of fixed assets	1,350,311,713,634	1,600,232,775,204
Net cash flows from / (used in) investing activities	968,471,730,134	(1,534,493,935,328)
CASH FLOWS FROM FINANCING ACTIVITY		
Dividends paid to shareholders	(4,246,000)	(7,733,380)
Cash flows used in financing activities	(4,246,000)	(7,733,380)
Net cash flows for the year	17,603,937,204,120	(3,252,757,186,079)
Cash and cash equivalents at the beginning of the year	35 22,445,076,343,812	25,697,833,529,891
Cash and cash equivalents at the end of the year	35 40,049,013,547,932	22,445,076,343,812

Preparer:



Ms. Truong Ngoc Thanh
Head of Accounting
Department

Reviewer:



Mr. Nguyen Van Cuong
Chief Financial Officer

Approver:



Mr. Nguyen Dinh Tung
General Director



Ho Chi Minh City, Vietnam

25 March 2024

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS

Orient Commercial Joint Stock Bank

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS
as at and for the year ended 31 December 2023

B05/TCTD-HN

1. THE BANK

Orient Commercial Joint Stock Bank ("the Bank") is a joint stock commercial bank established in the Socialist Republic of Vietnam.

The Bank was established pursuant to Banking License No. 0061/NH-GP dated 13 April 1996 issued by the State Bank of Vietnam ("the SBV") and Business Registration Certificate No. 0300852005 issued by Department of Planning and Investment of Ho Chi Minh city which was amended for the 39th time on 08 December 2023. The Bank started operation on 13 April 1996 with an operation period of 99 years.

The Bank's principal activities include mobilising short-term, medium-term and long-term deposits from various organisations and individuals in the form of term deposits and demand deposits in Vietnam Dong and foreign currencies; receiving entrusted funds from domestic organisations; taking borrowings from the SBV and other credit institutions; granting short-term, medium-term and long-term loans to various organisations and individuals based on the Bank's nature and capacity of the capital resources; discounting of commercial papers, bonds and valuable papers; venturing capital and joint-venture, buying shares under the current regulations; conducting payment transactions services; conducting foreign currency and gold trading transactions, international trade finance service; mobilising overseas sources of funds and other international banking services with overseas counterparties as approved by the SBV; performing insurance agency services following current regulations; trading bonds following current regulations; providing credit facility under form of discounting, re-discounting of transferrable instruments; re-discounting of valuable papers; issuing credit cards; providing bank guarantees; opening current accounts for customers; opening current account at the SBV; opening current accounts at other credit institutions, foreign bank branches; conducting internal settlement system, participating in the national interbank settlement system; providing cash management service, banking and financial consulting, services of keeping and managing precious assets, renting safe boxes; consulting on corporate finance, acquisition, consolidation, merger and investment consulting; bidding for Treasury bills, transferrable instruments, Government bonds, the SBV's bills and other valuable documents in the monetary market; providing monetary brokerage service; issuing certificates of deposits, bills, bonds, promissory notes to mobilise funds under the Law on Credit Institutions, Law on Securities, Government's regulations and guidance of the SBV; depositing, receiving funds from other credit institutions, foreign bank branches, domestic and foreign financial organisations under current regulation and guidance from the SBV; performing entrusted, agency activities in banking operation, insurance, managing assets in accordance with the prevailing regulations and guidance from the SBV; purchasing debts and trading gold.

Charter capital

As at 31 December 2023, the charter capital of the Bank is 20,548,242,940,000 VND (31 December 2022: 13,698,828,630,000 VND). The Bank has issued 2,054,824,294 common shares, with par value of VND 10,000/share.

Location

The Bank's Head Office is located at 41 and 45 Le Duan Street, Ben Nghe Ward, District 1, Ho Chi Minh City, Vietnam. As at 31 December 2023, the Bank has one (1) Head Office, fifty-seven (57) branches, one hundred and one (101) transaction offices (31 December 2022: one (1) Head Office, fifty-three (53) branches, ninety-five (95) transaction offices) nationwide.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

1. THE BANK (continued)

Employees

As at 31 December 2023, total number of permanent employees of the Bank is 6,822 persons (31 December 2022: 6,052 persons).

Subsidiary

As at 31 December 2023, the Bank has one subsidiary as follows:

<u>Name</u>	<u>Business Certificate</u>	<u>Registration</u>	<u>Nature of Business</u>	<u>Charter capital</u>	<u>Ownership</u>
Orient Commercial Bank International Money Transfer Company Limited	No. 0314327542 dated 3 April 2017 issued by Ho Chi Minh City Authority of Planning and Investment		Service of receiving and paying foreign currencies	VND 25 billion	100%

2. ACCOUNTING YEAR AND ACCOUNTING CURRENCY

2.1 *Fiscal year*

Fiscal year applicable for the preparation of the Bank' consolidated financial statements starts on 1 January and ends on 31 December.

2.2 *Accounting currency*

The Bank's consolidated financial statements are prepared in Vietnam Dong ("VND").

3. APPLIED ACCOUNTING STANDARDS AND SYSTEM

3.1 *Statement of compliance*

Management of the Bank confirms that the accompanying consolidated financial statements have been prepared in accordance with Vietnamese Accounting Standards, Vietnamese Accounting System for Credit Institutions and the statutory requirements relevant to the preparation and presentation of the consolidated financial statements.

3.2 *Purpose of preparing the consolidated financial statements*

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries for year ended 31 December 2023.

Subsidiaries are fully consolidated from the date of acquisition, being the date on which the Bank obtains control and continue to be consolidated until the date that such control ceases.

The financial statements of the subsidiaries are prepared for the same reporting period as the Bank, using consistent accounting policies.

All intra-company balances, income and expenses and unrealized gains or losses resulting from intra-company transactions are eliminated in full.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

3. APPLIED ACCOUNTING STANDARDS AND SYSTEM (continued)

3.3 *Basis of preparation of consolidated financial statements*

The consolidated financial statements of the Bank have been prepared in accordance with the Accounting System applicable to Credit Institutions required under Decision No. 479/2004/QĐ-NHNN issued on 29 April 2004, Circular No. 10/2014/TT-NHNN dated 20 March 2014, Circular No. 22/2017/TT-NHNN dated 29 December 2017 and Circular No. 27/2021/TT-NHNN dated 31 December 2021 amending and supplementing Decision No. 479/2004/QĐ-NHNN, Decision No. 16/2007/QĐ-NHNN dated 18 April 2007, Circular No. 49/2014/TT-NHNN amending and supplementing a number of articles of Decision No. 16/2007/QĐ-NHNN and the chart of account system for Credit Institutions issued in connection with Decision No. 479/2004/QĐ-NHNN by the Governor of the State Bank of Vietnam, Vietnamese Accounting Standards No. 27 – The financial statements and, Vietnamese Accounting Standards issued by the Ministry of Finance:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standard (Series 1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standard (Series 2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standard (Series 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standard (Series 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standard (Series 5).

Accordingly, the accompanying consolidated financial statements, including their utilisation are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the financial position and results of operations and cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

3.4 *Assumptions and uses of estimates*

The preparation of the consolidated financial statements requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the income, expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty and actual results may differ resulting in future changes in such provision.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

4.1 *Changes in accounting policies and disclosures*

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

Circular No. 02/2023/TT-NHNN ("Circular 02") was issued by the SBV on 23 April 2023 to provide instructions for credit institutions and foreign branch banks on loan restructuring and retention of loan classification to support borrowers facing financial difficulties

The main changes of Circular 02 are as below:

- ▶ Scope and conditions of loans eligible for term restructuring;
- ▶ Principles of classification retention and loan classification, guidelines on accounting for accrued interest and provisioning for loans whose principal and/or interest balances are rescheduled.

This Circular takes effect from 24 April 2023.

4.2 *Cash and cash equivalents*

Cash and cash equivalents comprise cash, gold, gemstones, current accounts at the SBV, current deposits and placements with banks with an original maturity of three months or less from the transaction date, securities with recovery or maturity of three months or less from date of purchase which can be converted into a known amount of cash and do not bear the liquidity risk.

4.3 *Deposits and loans to other credit institutions*

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

The classification of credit risk for deposits and loans to other credit institutions and the corresponding provision for credit losses is made in accordance with Circular 11. Accordingly, the Bank makes specific provisions for deposits (except for payment deposits at domestic credit institutions and foreign bank branches in the territory of Vietnam) and loans to other financial institutions, other credit institutions according to the method as described in Note 4.5.

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

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.4 Loans to customers

Loans to customers are presented at the principal amounts outstanding at the end of the year.

Short-term loans are loans with term of less than 12 months from the date of disbursement. Medium-term loans have term of more than 12 months to 60 months from the date of disbursement. Long-term loans are loans with term of over 60 months from the date of disbursement.

The classification of loans and provision for credit losses is made in accordance with Circular 11 as described in Note 4.5.

4.5 **Loan classification and provision for credit losses applied to placements with and credit granting to other credit institutions, direct and entrusted investments in unlisted corporate bonds, loans to customers, entrustments for credit granting and other credit risk bearing assets**

4.5.1 *Loan classification and provision for credit losses*

Debt classification for placements with and credit granting to other credit institutions, financial institutions, direct and entrusted investments in unlisted corporate bonds, loans to customers, entrustment for credit granting and other credit risk bearing assets subject to other credit risks (collectively call "debts") are carried out by the quantitative method specified in Article 10 of Circular 11.

The Bank makes a general provision according to Circular 11 at the rate of 0.75% of the total outstanding loans classified from 1 to 4 excluding placements with and loans to other credit institutions, promissory notes and bills; certificates of deposit, bonds issued by other credit institutions and foreign bank branches; repo on government bonds.

The specific provision as at 31 December is made based on the outstanding principal balance less discounted value of collaterals multiplied by provision rates which are determined based on the loan classification results as at 31 December. The basis for value and discounted value determination for each type of collateral is specified in Circular 11.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 Loan classification and provision for credit losses applied to placements with and credit granting to other credit institutions, direct and entrusted investments in unlisted corporate bonds, loans to customers, entrustments for credit granting and other credit risk bearing assets (continued)

4.5.1 Loan classification and provision for credit losses (continued)

The debt classification and specific provision rate for each loan group are as follows:

Group		Description	Provision rate
1	Current	(a) Debts are in due and assessed as fully and timely recoverable for both principals and interests; or (b) Debts are overdue for a period of less than 10 days and assessed as fully recoverable for both overdue principals and interests, and fully and timely recoverable for both remaining principals and interests.	0%
2	Special mention	(a) Debts are overdue for a period of between 10 days and 90 days; or (b) Debts of which the repayment terms are restructured for the first time.	5%
3	Sub-Standard	(a) Debts overdue for a period between 91 days and 180 days; or (b) Debts that repayment terms are extended for the first time; or (c) Debts that interests are exempted or reduced because customers do not have sufficient capability to repay all interests under agreement; or (d) Debts under one of the following cases which have not been recovered in less than 30 days from the date of the recovery decision: <ul style="list-style-type: none"> ▪ Debts violating Clause 1, 3, 4, 5, 6 under Article 126 of Law on Credit Institutions; or ▪ Debts violating Clause 1, 2, 3, 4 under Article 127 of Law on Credit Institutions; or ▪ Debts violating Clauses 1, 2 and 5 under Article 128 of Law on Credit Institutions. (e) Debts are required to be recovered according to regulatory inspection conclusions. (f) Debts are required to be recovered according to credit institutions, foreign bank branches' decisions on early payment due to customers' breach of agreements but have not yet been recovered in 30 days from the issuance date of the decision; or (g) At the request of the SBV based on the inspection, supervision conclusions and relevant credit information.	20%

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Loan classification and provision for credit losses applied to placements with and credit granting to other credit institutions, direct and entrusted investments in unlisted corporate bonds, loans to customers, entrustments for credit granting and other credit risk bearing assets* (continued)

4.5.1 *Loan classification and provision for credit losses* (continued)

Group	Description	Provision rate
4	Doubtful	50%
	(a) Debts are overdue for a period of between 181 days and 360 days; or	
	(b) Debts that repayment terms are restructured for the first time but still overdue for a period of 90 days under that restructured repayment term; or	
	(c) Debts that repayment terms are restructured for the second time; or	
	(d) Debts are specified in point of Loan group 3 and overdue for a period of between 30 days and 60 days after decisions of recovery have been issued; or	
	(e) Debts are required to be recovered according to regulatory inspection conclusions but still overdue for a period up to 60 days since the recovery date as required by regulatory inspection conclusions; or	
	(f) Debts are required to be recovered according to credit institutions, foreign bank branches' decisions on early payment due to customers' breach of agreements but have not yet been recovered for a period between 30 days to 60 days from the issuance date of the decision; or	
	(g) At the request of the SBV based on the inspection, supervision conclusions and relevant credit information.	
5	Loss	100%
	(a) Debts are overdue for a period of more than 360 days; or	
	(b) Debts that repayment terms are restructured for the first time and overdue for a period of 91 days or more under the first restructured repayment term; or	
	(c) Debts that repayment terms are restructured for the second time and overdue under that second restructured repayment term; or	
	(d) Debts that repayment terms are restructured for the third time or more, regardless of being overdue or not; or	
	(e) Debts are specified in point (d) of Loan group 3 and overdue for a period of more than 60 days after decisions on recovery have been issued; or	
	(f) Debts required to be recovered according to regulatory inspection conclusions but still outstanding with an overdue period over 60 days since the recovery date as required by regulatory inspection conclusions; or	
	(g) Debts are required to be recovered according to credit institutions, foreign bank branches' decisions on early payment due to customers' breach of agreements but have not yet been recovered for a period of more than 60 days from the issuance date of the decision; or	
	(h) Debts of credit institutions under special control as announced by the SBV, or debts of foreign bank branches that capital and assets are blocked; or	
	(i) At the request of the SBV based on the inspection, supervision conclusions and relevant credit information.	

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Loan classification and provision for credit losses applied to placements with and credit granting to other credit institutions, direct and entrusted investments in unlisted corporate bonds, loans to customers, entrustments for credit granting and other credit risk bearing assets* (continued)

4.5.1 *Loan classification and provision for credit losses* (continued)

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

When the Bank participates in a syndicated loan as a participant, it classifies loans (including syndicated loans) of the customer into the higher of the risk group assessed by the leading bank and by the Bank.

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

4.5.2 *Loan restructuring and loan classification retention to assist customers*

From 13 March 2020 to 30 June 2022, the Bank applied the policy of loan restructuring, interest and/or fees exemption or reduction and loan classification retention for loans that meet conditions according to Circular No. 01/2020/TT-NHNN dated 13 March 2020 ("Circular 01"), Circular No. 03/2021/TT-NHNN dated 2 April 2021 ("Circular 03") and Circular No. 14/2021/TT-NHNN dated 7 September 2021 ("Circular 14") issued by the State Bank of Vietnam providing regulations on loan restructuring, interest and/or fees exemption or reduction and loan classification retention to assist customers affected by the COVID-19 pandemic.

From 24 April 2023, the Bank applied the policy of loan restructuring and loan classification retention to support customers who face difficulties in production and business activities, as well as facing difficulties in repaying loans to meet their daily life and consumption needs. This policy aligns with the conditions set forth in Circular 02 issued by the State Bank of Vietnam, which provides instructions to credit institutions and foreign branch banks on loan restructuring and the retention of loan classification to assist borrowers facing financial difficulties.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Loan classification and provision for credit losses applied to placements with and credit granting to other credit institutions, direct and entrusted investments in unlisted corporate bonds, loans to customers, entrustments for credit granting and other credit risk bearing assets* (continued)

4.5.2 *Loan restructuring and loan classification retention to assist customers* (continued)

Accordingly, the Bank applies loan classification for loans that fall under the policy of loan restructuring and loan classification retention as follows:

<i>Disbursement date</i>	<i>Overdue status</i>	<i>Overdue date</i>	<i>Principle of loan classification retention</i>
Before 1/8/2021	Current or overdue for a period of 10 days	From 30/3/2020 to 30/6/2022	Retain the latest loan classification as before 23 January 2020 or as before the first-time restructuring date
Before 23/1/2020	Overdue	From 23/1/2020 to 29/3/2020	Retain the latest loan classification as before 23 January 2020
From 23/1/2020 to 10/6/2020		From 23/1/2020 to 17/5/2021	Retain the latest loan classification as before overdue transferring date
From 10/6/2020 to 1/8/2021		From 17/7/2021 to 7/9/2021	
Before 24/4/2023	Current or overdue for a period of 10 days	From 24/4/2023 to 30/6/2024	Retain the latest loan classification as before the restructuring date

For loans, which repayment term was restructured, interest and/or fees were exempted or reduced and loan classification was retained, are overdue under restructured repayment term and not continued to restructure under current regulations, the Bank makes loan classification and provision in accordance with Circular 11.

4.5.3 *Specific provision for customers with debts that have been restructured on term basis and are subject to loan classification retention*

The Bank makes specific provision for customers with debts that have been restructured on term basis and are subject to loan classification retention according to the following formula: $C = A - B$

In which:

- C: Additional specific provision;
- A: Specific provision to be made for all outstanding loan balance of customers according to the results of loan classification under Circular 11 (Note 4.5.1);
- B: Total specific provision to be made for the outstanding balance of loans applying loan classification under the policy of loan classification retention (Note 4.5.2) and specific provision to be made for remaining loan balances of the customers according to the results of loan classification under Circular 11 (Note 4.5.1)

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.5 *Loan classification and provision for credit losses applied to placements with and credit granting to other credit institutions, direct and entrusted investments in unlisted corporate bonds, loans to customers, entrustments for credit granting and other credit risk bearing assets* (continued)

4.5.3 *Specific provision for customers with debts that have been restructured on term basis and are subject to loan classification retention*

Additional specific provision (called as C) is made by the Bank when preparing financial statements, ensuring the provisioning at as follows:

- ▶ For loans that fall under the policy of loan restructuring and loan classification retention as prescribed in Circular 01, Circular 03, and Circular 14
 - + By 31 December 2022: At least 60% of the additional specific provision must be made;
 - + By 31 December 2023: 100% of the additional specific provision must be made.
- ▶ For loans that fall under the policy of loan restructuring and loan classification retention as prescribed in Circular 01, Circular 03, and Circular 14
 - + By 31 December 2023: At least 50% of the additional specific provision must be made;
 - + By 31 December 2024: 100% of the additional specific provision must be made.

Handling credit risk

Provisions are recognized as an expense on the consolidated statement of profit or loss and are used to settle bad debts. According to Circular 11, the Bank establishes a risk handling committee to deal with bad debts if they are classified in group 5 or if the borrower is an organization that is dissolved, bankrupt, or an individual who is insolvent, dead or missing.

4.6 *Securities held for trading*

4.6.1 *Classification and recognition*

Securities held for trading include debt securities purchased for trading purposes. Securities held for trading are initially recognized at cost.

4.6.2 *Measurement*

Securities held for trading are subject to impairment review at the end of financial year.

Securities held for trading are recorded under principle of lower amount between book value and market value. Provision for impairment losses of securities will be charged when book value is higher than market value determined under Circular 48/2019/TT-BTC ("Circular 48") issued by Ministry of Finance on 8 August 2019 and Circular 24/2022/TT-BTC ("Circular 24") amending Circular 48 on 7 April 2022. Government bonds, Government-guaranteed bonds and municipal bonds are exempted from such provisioning requirement. Provision for devaluation is recognized in the consolidated statement of profit or loss under the item "Net gain from trading securities".

Unlisted corporate bonds held for trading are carried at cost less provision for credit losses in accordance with Circular 11 as described in Note 4.5.

Provision for impairment losses on securities held for trading mentioned above will be reversed when the subsequent increase in recoverable value of securities held for trading due to objective events occurring after the provision is recognized. The reversal is limited to the extent that the carrying amount of the securities does not exceed their carrying amount that would have been determined with no impairment loss been recognized in prior years.

Gains or losses from sales of securities held for trading are recognized in the consolidated statement of profit or loss.

Interest income earned in cash during the holding of trading securities are recognized in the

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.6 *Securities held for trading* (continued)

4.6.3 *Derecognised*

Trading securities are derecognized when the rights to receive cash flows from these securities have expired or the Bank has transferred substantially all risks and benefits of ownership.

4.7 *Available-for-sale securities*

4.7.1 *Classification and recognition*

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

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

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

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

4.7.2 *Measurement*

Available-for-sale securities are subject to impairment review at the end of fiscal year.

Available-for-sale securities are recorded under principle of lower amount between book value and market value according to Circular 48 and Circular 24. Government bonds, Government-guaranteed bonds and municipal bonds are exempted from such provisioning requirement. Provision is recognized in the "Net gain/(loss) from investment securities" account of the consolidated statement of profit or loss.

Provision for credit losses on corporate bonds which are not listed on the stock market or not registered on the unlisted public companies market is made in accordance with Circular 11 as described in Note 4.5.

Provision for losses on securities held for trading mentioned above will be reversed when the subsequent increase in recoverable value of available-for-sale securities due to objective events occurring after the provision is recognized. The reversal is limited to the extent that the carrying amount of the securities does not exceed their carrying amount that would have been determined with no impairment loss.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.7 *Available-for-sale securities* (continued)

4.7.3 *Derecognised*

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

4.8 *Repurchase and reverse repurchase agreements*

The securities sold under agreements to repurchase at a specific future date are not derecognized from the consolidated financial statements. The corresponding cash received under this agreement are recognized as a borrowing in the consolidated statement of financial position and the difference between the sale and repurchase price is treated as interest expense and is recognized in the consolidated statement of profit or loss at the agreed interest rate.

The securities purchased under agreement to resale at a specified future date are not recognized in the consolidated financial statements. The considerations paid under this agreement are recognized as an investment in the consolidated statement of financial position and the difference between the purchase and resale is recognized in the consolidated statement of profit or loss at the agreed interest rate.

4.9 *Fixed assets*

Fixed assets are stated at cost less accumulated depreciation or amortization.

The cost of a fixed asset comprises its purchase price plus any directly attributable costs of bringing the asset to working condition for its intended use.

Cost related to additions, improvements and renewals are capitalized while expenditures for maintenance and repairs are charged to the consolidated statement of profit or loss.

When assets are sold or liquidated, their cost and accumulated depreciation are deducted from the statement of financial position item and any gains or losses resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) are recorded to the consolidated statement of profit or loss.

4.10 *Depreciation and amortization*

Depreciation and amortization of fixed assets is calculated on a straight-line basis over the estimated useful lives of these assets as follows:

Buildings and structures	5 - 35 years
Motor vehicles	5 - 10 years
Machines and equipment	3 - 10 years
Other fixed assets	3 - 8 years
Definite land use rights	35 - 50 years
Computer software	3 - 10 years

Indefinite land use rights are not depreciated. Land use rights with a definite term are amortized over the lease or use period.

4.11 *Operating lease*

Rentals under operating lease are charged to the "Operating expenses" of the consolidated statement of profit or loss on a straight-line basis over the term of the lease.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.12 Receivables

4.12.1 Receivables classified as credit-risk assets

Receivables classified as credit-risk assets are recognized at cost. Doubtful receivables are classified and provided for allowance by the Bank in accordance with the regulations on recognition and use of provision against credit risks as presented in Note 4.5.

4.12.2 Other receivables

Receivables other than receivables classified as credit-risk assets are recognized at cost.

Provision for receivables is determined based on the overdue status of debts or expected loss of current debts in case the debts are not due for payment yet but the corporate debtors have fallen into bankruptcy or are in the process of dissolution, or of individual debtors are missing, escaped, prosecuted, on trial or deceased. Provision expense incurred is recorded in "Other operating expenses" of the consolidated statement of profit or loss.

For overdue debts, provision is made in accordance with Circular 48 and Circular 24 as follows:

<u>Overdue period</u>	<u>Provision rate</u>
From six months up to under one year	30%
From one year up to under two years	50%
From two years up to under three years	70%
From three years and above	100%

4.13 Prepaid expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the consolidated statement of financial position and amortized over the period for which the amount is paid or the period in which economic benefit is generated in relation to these expenses.

4.14 Borrowings from Government and SBV, deposits and borrowings from banks, customer deposits, grants, entrusted funds and loans exposed to risks and valuable papers issued

Borrowings from Government and SBV, deposits and borrowings from banks, customer deposits, grants, entrusted funds and loans exposed to risks and valuable papers issued are disclosed at the principal amounts outstanding at the date of consolidated financial statements. At initial recognition, issuance costs are deducted from the cost of the valuable papers. These costs are allocated on a straight line method during the lifetime of the valuable papers to Interest and similar expenses.

4.15 Payables and accruals

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Bank.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.16 Credit classification for off-balance sheet commitments

Off-balance sheet commitments include guarantees, acceptances and non-cancellable and non-negotiable promissory notes and a commitment period.

The classification of off-balance sheet commitments is made solely for the purpose of managing and monitoring the quality of credit granting activities in accordance with the classification policy applicable to loans as described in Note 4.5.

According to Circular 11, the Bank does not need to make provisions for off-balance sheet commitments.

4.17 Fiduciary assets

Assets held in a fiduciary capacity are not reported in the consolidated financial statements as they are not assets of the Bank.

4.18 Derivative financial instruments

4.18.1 Foreign exchange contracts

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

The currency forward and swap contracts are commitments to settle in cash on a pre-determined future date based on the difference between pre-determined exchange rates, calculated on the notional amount.

The premium or discount resulting from the difference between the spot rate at the effective date of the contract and the forward rate will be recognized immediately at the effective date of the contract as an asset if positive or a liability if the negative on the consolidated statement of financial position. The difference will be amortized on a straight-line basis over the life of the swap contract.

The currency forward contracts are recognized at nominal value at the transaction date and are revalued for the reporting purpose at the exchange rate at the reporting date. Gains or losses realized or unrealized are recognized in the consolidated statement of profit or loss.

4.18.2 Interest rate swaps

The value of commitments in interest rate swap contracts is not recognized in the consolidated statement of financial position. Interest rate swap is recognized in the consolidated statement of profit or loss on an accruals basis.

4.19 Owners' equity

4.19.1 Common shares

Common shares are classified as owner's equity. Additional costs directly attributable to the cost of the ordinary share issue are recognized as a deduction from equity.

4.19.2 Share premium

When receiving capital contributions from shareholders, the difference between the issue price and the face value of the shares is recognized in the share premium account in equity.

4.19.3 Treasury shares

Owners' equity instruments which are reacquired (treasury shares) are recognized at cost and deducted from equity. No gain or loss is recognized in profit or loss upon purchase, sale, re-issue or cancellation of the Bank's owners' equity instruments.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.19 Owners' equity (continued)

4.19.4 Statutory reserves

The Bank creates the following statutory reserves in compliance with Law on Credit Institutions No. 47/2010/QH12, Decree No. 93/2017/ND-CP and its Charter as follow:

	<i>Basis for calculation</i>	<i>Maximum balance</i>
Capital supplementary reserve	5% from profit after tax	100% of charter capital
Financial reserve	10% from profit after tax	Not regulated

Other funds belonging to owners' equity are appropriated from profit after tax. Appropriation from profit after tax and use of other funds must be approved by the General Meeting of Shareholders. These funds are not regulated by law and allowed to be distributed.

4.20 Recognition of income and expense

Recognition of interest income and expense

Interest income and expenses are recognized in the consolidated statement of profit or loss on an accrual basis using the nominal interest rates. The recognition of accrued interest income arising from loans classified in Groups 2 to 5 in accordance with Circular 11 and loans with repayment term restructuring and loan classification retention according to regulations will not be recognized in the income statement. Suspended interest income is reversed and monitored off-balance sheet and recognized in the consolidated statement of profit or loss upon actual receipt.

Fees and commissions

Fees and commissions are recognized on an accrual basis.

Income from investment activities

Revenue from securities investment activities is determined based on the difference between the selling price and the average cost price of securities.

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

Other income

Fees and commissions are recognized on an accrual basis.

4.21 Foreign currency transactions

All transactions are recorded in original currencies. Monetary assets and liabilities denominated in foreign currencies are translated into VND using exchange rates ruling at the statement of financial position date (Note 49). Income and expenses arising in foreign currencies during the period are converted into VND at rates ruling at the transaction dates. Foreign exchange differences arising from the translation of monetary assets and liabilities are recognized and monitored in "Foreign exchange differences" under "Owners' equity" in the consolidated statement of financial position and will be transferred to the consolidated statement of profit or loss at the end of the financial year.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.22 Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be paid to (or recovered from) the taxation authorities. The tax rates and tax laws are applied and enacted at the consolidated statement of financial position date.

Current income tax is charged or credited to the consolidated statement of profit or loss except when it relates to items recognized directly to equity the current income tax is also dealt with in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Bank to offset current tax assets against current tax liabilities and when the Bank intends to settle its current tax assets and liabilities on a net basis.

The Bank's tax reports are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions that is susceptible to various interpretations, amounts reported in the consolidated financial statements could be changed at a later date upon final determination by the tax authorities.

Deferred tax

Deferred tax is provided on temporary differences at the consolidated statement of financial position date between the tax base of assets and liabilities and their carrying amount for the financial reporting purposes.

Deferred tax payable is recognized for temporary taxable differences, except:

- ▶ where the deferred tax liability arises from the initial recognition of an asset or liability in a transaction which at the time of the related transaction affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of taxable temporarily differences associated with investments in subsidiaries and associates, and interests in joint ventures where timing of the reversal of the temporary difference can be controlled and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are recognised for all deductible temporary differences, carried forward unused tax credit and unused tax losses, to the extent that it is probable that taxable profit will be available against which deductible temporary differences, carried forward unused tax credit and unused tax losses can be utilised, except:

- ▶ where the deferred tax asset in respect of deductible temporary difference which arises from the initial recognition of an asset or liability which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss; and
- ▶ in respect of deductible temporarily differences associated with investments in subsidiaries, associates, and interests in joint ventures, deferred tax assets are recognised only to the extent that it is probable that the temporary differences will reverse in the foreseeable future and taxable profit will be available against which the temporary differences can be utilised.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.22 Taxes (continued)

Deferred tax (continued)

The carrying amount of deferred tax assets is reviewed at each statement of financial position date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Previously unrecognised deferred tax assets are re-assessed at each statement of financial position date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the financial year when the asset realised or the liability is settled based on tax rates and tax laws that have been enacted at the consolidated statement of financial position date.

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

The Bank can offset deferred tax assets and deferred tax liabilities when there is a legally enforceable right for the Bank and its subsidiaries to off-set current tax assets against current tax liabilities and when they relate to corporate income taxes levied by the same taxation authority on:

- ▶ either the same taxable entity; or
- ▶ when the Bank its subsidiaries intends either settle current tax liabilities and current tax assets on a net basis or to realise the assets and settle the liabilities simultaneously, in each future year in which significant amounts of deferred tax liabilities or assets are expected to be settled or recovered.

4.23 Offsetting

Financial assets and financial liabilities are offset and the net amount is reported in the consolidated statement of financial position if, and only if, there is a currently enforceable legal right to offset financial assets against financial liabilities or vice-versa, and there is an intention to settle on a net basis, or to realize the asset and settle the liability simultaneously.

4.24 Employee benefits

4.24.1 Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank by the Social Insurance Agency which belongs to the Ministry of Labour and Social Affairs. The Bank is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17.5% of an employee's basic salary on a monthly basis. Other than that, the Bank has no further obligation relating to post-employment benefits.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.24 *Employee benefits* (continued)

4.24.2 *Voluntary resignation benefits*

The Bank has the obligation, under Section 46 of the Vietnam Labor Code 45/2019/QH14 effective from 1 January 2021, to pay allowance arising from voluntary resignation of employees, equal to one-half month's salary for each year of employment up to 31 December 2008 plus salary allowances (if any). From 1 January 2009, the average monthly salary used in this calculation is the average monthly salary of the latest six-month period up to the resignation date. Accordingly, the working time at the Bank to calculate the severance benefit is the total actual working time at the Bank minus the time the employee has participated in unemployment insurance in accordance with the law on unemployment insurance and the working time has been paid severance allowance by the employer.

4.24.3 *Unemployment insurance*

According to current regulations in term of unemployment insurance, the Bank is required to contribute to the unemployment insurance at the rate of 1% of salary, and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance reserve.

4.25 *Financial instruments*

The sole purpose is to provide information explaining the importance of financial instruments to the financial situation, business results and the nature of risks arising from financial instruments in accordance with Circular No.210/2009/TT-BTC, the Bank categorizes financial instruments as follows:

4.25.1 *Financial assets*

Financial assets are determined at fair value through the statement of profit or loss

Financial assets determined at fair value through reporting business results as a financial asset that satisfies one of the following conditions:

- ▶ Financial assets are classified into the holding group for business, financial assets are classified into the holding group for business, if:
 - assets purchased primarily for short-term resale purposes;
 - there is evidence of the purpose of such instruments is for short-term profit; or
 - derivative financial instruments (except derivative financial instruments defined as a financial underwriting contract or an effective hedging tool).
- ▶ At the time of initial recognition, the Bank classifies financial assets in the group according to fair value through the statement of profit or loss.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.25 *Financial instruments* (continued)

4.25.1 *Financial assets* (continued)

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Bank has the intention and ability to hold until due date, except:

- ▶ financial assets that at initial recognition have been classified by the Bank at fair value through the statement of profit or loss;
- ▶ financial assets classified as available for sale; and
- ▶ financial assets that meet the definitions of loans and receivables.

Loans and accounts receivable

Loans and receivables are non-derivative financial assets with fixed or determinable payments and are not listed on an exchange, except

- ▶ items that are intended to be sold immediately or in the near future are classified as held for trading purposes, and those that at initial recognition are classified as measured reasonableness through the statement of profit or loss;
- ▶ amounts classified as available-for-sale at initial recognition; or
- ▶ items for which a substantial amount of the initial investment may not be recovered, not due to deterioration in credit quality, and which are classified as available-for-sale.

Financial assets available for sale

Available-for-sale financial assets are non-derivative financial assets that are determined to be available for sale or are not classified as:

- ▶ financial assets measured at fair value through the statement of profit or loss;
- ▶ hold-to-maturity investments; or
- ▶ loans and receivables.

4.25.2 *Financial liabilities*

Financial liabilities are measured at fair value through the statement of profit or loss

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

- ▶ A financial liability is classified as held for trading. A financial liability is classified as held for trading if:
 - such debt is created primarily for short-term redemption purposes;
 - there is evidence that trading the instrument is intended for short-term profit; or
 - is a derivative financial instrument (except for derivative financial instruments that are identified as a contract of financial guarantee or an effective hedging instrument).
- ▶ At initial recognition, financial liabilities are classified into measured at fair value through the statement of profit or loss.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

4.25 *Financial instruments* (continued)

4.25.2 *Financial liabilities* (continued)

Financial liabilities are measured at allocation value

Financial liabilities that are not classified as financial liabilities measured at fair value through the consolidated statement of profit or loss will be classified as financial liabilities measured at cost allocation value.

The above classifications of financial instruments are for presentation and disclosure purposes only and are not intended to describe the method of measurement of financial instruments. financial instruments are disclosed in other relevant notes.

4.26 *Items with no balance*

Items not presented in these consolidated financial statements in accordance with Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and Circular No. 49/2014/TT-NHNN on the financial reporting regime for with credit institutions issued by the State Bank on 31 December 2014 as items without balance.

5. CASH, GOLD AND GEMSTONES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Cash on hand in VND	687,669,274,600	677,678,409,600
Cash on hand in foreign currencies	84,765,738,486	109,162,574,895
Gold	7,298,550,000	6,623,370,000
	779,733,563,086	793,464,354,495

6. BALANCES WITH THE STATE BANK

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Balance with the State Bank		
- In VND	6,927,478,754,679	3,043,153,598,997
- In foreign currencies	37,886,285,106	182,233,358,714
	6,965,365,039,785	3,225,386,957,711

Balances with the State Bank of Vietnam include settlement and compulsory reserve. The average balance of the Bank with the State Bank of Vietnam is not less than the compulsory reserve in the month. The compulsory reserve is calculated by multiplying previous month average deposit balances and compulsory reserve rates.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

6. BALANCES WITH THE STATE BANK ("the SBV") (continued)

The compulsory deposit rates are as follows:

	<u>31 December 2023</u>	<u>31 December 2022</u>
	%	%
<i>For customers</i>		
Demand deposits and deposit with term less than 12 months in VND	3.00	3.00
Deposits with term over 12 months in VND	1.00	1.00
Demand deposits and deposit with term less than 12 months in foreign currencies	8.00	8.00
Demand deposits and term deposits with term over 12 months in foreign currencies	6.00	6.00
<i>For overseas credit institutions</i>		
Deposits in foreign currencies	1.00	1.00

The actual annual interest rates on deposits with the SBV are as follows:

	<u>31 December 2023</u>	<u>31 December 2022</u>
	% p.a.	% p.a.
Within compulsory deposit rate in VND	0.50	0.50
Within compulsory deposit rate in USD	0.00	0.00
Over compulsory deposit rate in VND	0.00	0.00
Over compulsory deposit rate in USD	0.00	0.00

7. DEPOSITS AND LOANS TO OTHER CREDIT INSTITUTIONS

7.1 Deposits at other credit institutions

	<u>Ending balance</u>	<u>Beginning balance</u>
	VND	VND
Demand deposits	1,607,194,945,061	1,035,525,031,606
- In VND	52,362,864,813	49,714,752,609
- In foreign currencies	1,554,832,080,248	985,810,278,997
Term deposits	30,696,720,000,000	17,390,700,000,000
- In VND	25,359,850,000,000	15,978,300,000,000
- In foreign currencies	5,336,870,000,000	1,412,400,000,000
	<u>32,303,914,945,061</u>	<u>18,426,225,031,606</u>

7.2 Loans to other credit institutions

	<u>Ending balance</u>	<u>Beginning balance</u>
	VND	VND
In VND	1,596,301,534,449	2,201,750,632,468
In foreign currencies	-	8,279,544,825
	<u>1,596,301,534,449</u>	<u>2,210,030,177,293</u>

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

7. DEPOSITS AND LOANS TO OTHER CREDIT INSTITUTIONS (continued)

7.2 Loans to other credit institutions (continued)

Interest rates of deposits and loans to other credit institutions at year-end are as follows:

	<u>31 December 2023</u> % p.a.	<u>31 December 2022</u> % p.a.
Term deposits in VND	0.90 - 5.00	2.50 - 8.50
Term deposits in foreign currencies	5.00 - 5.50	4.10 - 4.25
Loans to other credit institutions in VND	2.40 - 9.16	0.00 - 10.04
Loans to other credit institutions in foreign currencies	0.00	4.56 - 4.71

Analysis of deposits and loans to other credit institutions by quality at year-end is as below:

	<u>Ending balance</u> VND	<u>Beginning balance</u> VND
Current	<u>32,293,021,534,449</u>	<u>19,600,730,177,293</u>

8. SECURITIES HELD FOR TRADING

8.1 Securities held for trading

	<u>Ending balance</u> VND	<u>Beginning balance</u> VND
Debt securities		
Government bonds, municipal bonds	-	142,837,500,000

8.2 Securities held for trading by listing status

	<u>Ending balance</u> VND	<u>Beginning balance</u> VND
Debt securities		
Listed	-	142,837,500,000

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

9. DERIVATIVES INSTRUMENTS AND OTHER FINANCIAL ASSETS

	<i>Total contract nominal value (at contractual exchange rate) VND</i>	<i>Total carrying value (at exchange rate as at reporting date)</i>	
		<i>Assets VND</i>	<i>Liabilities VND</i>
As at 31 December 2023			
<i>Derivative financial instruments</i>			
Foreign exchange forward contracts	70,575,046,875	-	1,063,335,938
Foreign exchange swap contracts	76,097,542,836,181	42,536,901,303	-
Foreign exchange interest rate swap contracts	-	-	-
	76,168,117,883,056	42,536,901,303	1,063,335,938
		41,473,565,365	
As at 31 December 2022			
<i>Derivative financial instruments</i>			
Foreign exchange forward contracts	4,112,803,639,003	37,590,959,969	-
Foreign exchange swap contracts	32,171,279,860,113	338,453,047,098	-
Foreign exchange interest rate swap contracts	925,600,000,000	-	16,000,000,000
	37,209,683,499,116	376,044,007,067	16,000,000,000
		360,044,007,067	

10. LOANS TO CUSTOMERS

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Loans to domestic economic entities and individuals	144,000,748,371,624	119,510,721,884,604
Pending debts awaiting resolution	2,979,321,052,984	9,495,074,117
Loans financed by grants and entrusted funds	219,088,064,488	257,336,308,838
Discounted bills and valuable papers	5,910,832,095	21,073,063,780
Payments on behalf of customers	1,397,894,380	3,943,431,286
	147,206,466,215,571	119,802,569,762,625

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

10. LOANS TO CUSTOMERS (continued)

10.1 Analysis of loans to customers by quality

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Current	137,184,721,927,528	114,097,472,965,814
Special mention	3,138,545,588,757	3,034,114,928,596
Substandard	967,259,763,141	670,539,465,956
Doubtful	1,255,638,819,170	625,718,716,589
Loss	1,680,979,063,991	1,365,228,611,553
Debts pending for settlement secured by foreclosed assets and unsettled debts with collaterals	2,979,321,052,984	9,495,074,117
	<u>147,206,466,215,571</u>	<u>119,802,569,762,625</u>

10.2 Analysis of loans to customers by original term

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Short-term loans	38,033,766,274,271	26,277,220,130,612
Medium-term loans	28,064,635,883,567	22,404,039,156,612
Long-term loans	81,108,064,057,733	71,121,310,475,401
	<u>147,206,466,215,571</u>	<u>119,802,569,762,625</u>

10.3 Analysis of loans to customers by currency

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
In VND	146,152,941,017,688	117,664,862,323,203
In foreign currencies	1,053,525,197,883	2,137,707,439,422
	<u>147,206,466,215,571</u>	<u>119,802,569,762,625</u>

Interest rates of loans to customers at year-end are as follows:

	<i>Ending balance % p.a.</i>	<i>Beginning balance % p.a.</i>
In VND	3.45 - 28.50	4.80 - 28.70
In foreign currencies	4.37 - 9.59	3.45 - 10.65

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

10. LOANS TO CUSTOMERS (continued)

10.4 Analysis of loans to customers by types of customer and ownership

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Loans to corporates	92,844,136,710,503	70,525,624,074,313
Other joint stock companies	61,805,063,982,002	42,413,425,725,616
Private limited liability companies	28,726,105,722,274	25,282,502,240,179
Foreign direct invested companies	1,754,825,566,491	2,008,300,492,053
State-owned companies	463,495,698,638	610,715,690,166
Co-operatives and unions of co-operative	53,249,788,244	56,423,711,337
Private enterprises	41,395,952,854	48,082,794,163
Joint stock companies with the State owning over 50% of capital or being controlled by the State	-	105,966,620,799
Partnership companies	-	206,800,000
Loans to individuals	54,362,329,505,068	49,276,945,688,312
	<u>147,206,466,215,571</u>	<u>119,802,569,762,625</u>

10.5 Analysis of loans by economic sectors

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Wholesale and retail trade, repair of motor vehicles, motorcycles and personal goods	33,499,204,836,459	26,717,023,325,927
Accommodation and catering services	16,722,572,017,450	19,104,610,086,186
Production and distribution of electricity, gas, hot water, steam and air conditioning	12,733,992,143,686	10,592,596,679,822
Real estate	12,532,556,029,515	13,058,855,033,539
Construction	9,363,793,514,185	11,921,364,043,605
Logistics	8,846,534,398,858	8,261,253,579,734
Households services, production of material products and services used by households	6,999,956,756,400	7,622,417,635,892
Processing and manufacturing	5,913,009,935,955	6,158,529,645,742
Agriculture, forestry and aquaculture	2,472,096,207,549	2,138,546,477,100
Other service activities	1,289,643,206,298	944,009,947,002
Financial, banking and insurance activities	912,176,268,705	1,861,347,068,583
Administrative and support services	560,882,454,002	711,428,703,970
Other services	35,360,048,446,509	10,710,587,535,523
	<u>147,206,466,215,571</u>	<u>119,802,569,762,625</u>

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

11. PROVISION FOR CREDIT LOSSES OF LOANS TO CUSTOMERS

Changes in provision for credit losses of loans to customers during the current year are as follows:

	<i>Specific provision VND</i>	<i>General provision VND</i>	<i>Total VND</i>
Balance as at 1 January 2023	694,050,997,671	888,208,852,751	1,582,259,850,422
Provision charged for the year	1,427,542,949,336	195,622,971,122	1,623,165,920,458
Provision used to write off bad debts	<u>(703,276,451,916)</u>	<u>-</u>	<u>(703,276,451,916)</u>
Balance as at 31 December 2023	<u>1,418,317,495,091</u>	<u>1,083,831,823,873</u>	<u>2,502,149,318,964</u>

Changes in provision for credit losses of loans to customers during the previous year are as follows:

	<i>Specific provision VND</i>	<i>General provision VND</i>	<i>Total VND</i>
Balance as at 1 January 2022	371,896,954,395	744,203,222,768	1,116,100,177,163
Provision charged for the year	923,455,862,402	144,005,629,983	1,067,461,492,385
Provision used to write off bad debts	<u>(601,301,819,126)</u>	<u>-</u>	<u>(601,301,819,126)</u>
Balance as at 31 December 2022	<u>694,050,997,671</u>	<u>888,208,852,751</u>	<u>1,582,259,850,422</u>

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

12. PURCHASED DEBTS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Purchased debts in VND	550,900,000,000	667,000,000
Provision for purchased debts	(4,131,750,000)	(5,002,500)
	546,768,250,000	661,997,500

Details of the principal and interest of purchased debts are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Principal of debt purchased	550,900,000,000	667,000,000

The quality of the debt purchased is as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Current	550,900,000,000	667,000,000

Changes in provision for credit losses of purchased debts during the current year are as follows:

	<i>Current year</i> VND	<i>Previous year</i> VND
Beginning balance	5,002,500	5,002,500
Provision charged during the year	4,126,747,500	-
Ending balance	4,131,750,000	5,002,500

13. AVAILABLE-FOR-SALE SECURITIES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Available-for-sale securities	40,331,397,720,516	37,367,365,873,931
<i>Debt securities</i>		
Government bonds	23,171,492,258,634	20,050,384,534,651
Debt securities issued by other domestic credit institutions	13,938,530,103,010	14,262,304,919,754
Debt securities issued by domestic economic entities	3,155,820,549,725	2,989,121,610,379
<i>Equity securities</i>		
Equity securities issued by other domestic credit institutions	14,236,945,147	14,236,945,147
Equity securities issued by domestic economic entities	51,317,864,000	51,317,864,000
Provision for available-for-sale securities	(39,642,698,725)	(34,261,047,882)
Provision for impairment (i)	(15,974,044,604)	(11,842,635,808)
General provision (ii)	(23,668,654,121)	(22,418,412,074)
Specific provision (iii)	-	-
	40,291,755,021,791	37,333,104,826,049

13. AVAILABLE-FOR-SALE SECURITIES (continued)

(i) Movements of impairment provision for equity securities issued by domestic economic entities during the year are as follows:

	<i>Current year VND</i>	<i>Previous year VND</i>
Beginning balance	11,842,635,808	2,318,844,622
Provision charged for the year	4,131,408,796	9,523,791,186
Ending balance	15,974,044,604	11,842,635,808

(ii) Movements of general provision for debt securities issued by domestic economic entities during the year are as follows:

	<i>Current year VND</i>	<i>Previous year VND</i>
Beginning balance	22,418,412,074	7,239,001,275
Provision charged for the year	1,250,242,047	15,179,410,799
Ending balance	23,668,654,121	22,418,412,074

(iii) Movements of specific provision for debt securities issued by domestic economic entities during the year are as follows:

	<i>Current year VND</i>	<i>Previous year VND</i>
Beginning balance	-	2,478,750,000
Provision reversed for the year	-	(2,478,750,000)
Ending balance	-	-

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

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Debt securities	40,265,842,911,369	37,301,811,064,784
Listed	28,530,369,347,725	20,050,384,534,651
Non-Listed	11,735,473,563,644	17,251,426,530,133
Equity securities	65,554,809,147	65,554,809,147
Non-Listed	65,554,809,147	65,554,809,147
	40,331,397,720,516	37,367,365,873,931

Analysis by quality for securities classified as credit risk bearing assets:

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Current	3,155,820,549,725	2,989,121,610,379

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

14. FIXED ASSETS

14.1 Tangible fixed assets

Changes in tangible fixed assets during the current year are as follows:

	Buildings and structures VND	Machines VND	Motor vehicles VND	Other tangible fixed assets VND	Total VND
Cost					
As at 1 January 2023	214,900,138,401	372,941,937,567	149,905,857,070	1,832,127,387	739,580,060,425
New purchases	7,943,616,997	19,565,086,496	3,248,149,000	237,561,500	30,994,413,993
Upgrade	62,239,120	366,085,522	-	-	428,324,642
Transfer from Construction in progress	10,134,254,642	7,028,128,175	2,112,541,000	-	19,274,923,817
Disposals	(3,827,812,181)	(1,774,634,547)	(1,018,142,036)	-	(6,620,588,764)
As at 31 December 2023	229,212,436,979	398,126,603,213	154,248,405,034	2,069,688,887	783,657,134,113
Accumulated depreciation					
As at 1 January 2023	94,623,273,975	254,466,086,776	110,173,866,691	1,442,085,721	460,705,313,163
Depreciation for the year	11,794,496,601	37,046,017,182	9,490,966,626	134,744,654	58,466,225,063
Disposals	(2,641,402,513)	(1,764,195,582)	(1,018,142,036)	-	(5,423,740,131)
Other increase	-	368,462,722	-	-	368,462,722
As at 31 December 2023	103,776,368,063	290,116,371,098	118,646,691,281	1,576,830,375	514,116,260,817
Net carrying amount					
As at 1 January 2023	120,276,864,426	118,475,850,791	39,731,990,379	390,041,666	278,874,747,262
As at 31 December 2023	125,436,068,916	108,010,232,115	35,601,713,753	492,858,512	269,540,873,296

Additional information on tangible fixed assets:

	Ending balance VND	Beginning balance VND
Cost of fully-depreciated assets which are still in use	283,839,501,642	265,635,760,419

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

14. FIXED ASSETS (continued)

14.2 Intangible fixed assets

Changes in intangible fixed assets during the year are as follows:

	Land use rights VND	Computer software VND	Total VND
Cost			
As at 1 January 2023	153,108,592,741	402,757,638,148	555,866,230,889
New purchases	6,328,575,455	7,241,656,371	13,570,231,826
Upgrade	-	12,560,845,935	12,560,845,935
Transfer from Construction in progress	-	4,337,592,240	4,337,592,240
Disposals	(4,901,354,748)	-	(4,901,354,748)
As at 31 December 2023	<u>154,535,813,448</u>	<u>426,897,732,694</u>	<u>581,433,546,142</u>
Accumulated depreciation			
As at 1 January 2023	2,587,969,105	248,546,563,955	251,134,533,060
Amortization for the year	163,753,284	45,111,093,444	45,274,846,728
As at 31 December 2023	<u>2,751,722,389</u>	<u>293,657,657,399</u>	<u>296,409,379,788</u>
Net carrying amount			
As at 1 January 2023	<u>150,520,623,636</u>	<u>154,211,074,193</u>	<u>304,731,697,829</u>
As at 31 December 2023	<u>151,784,091,059</u>	<u>133,240,075,295</u>	<u>285,024,166,354</u>

Additional information on intangible fixed assets:

	Ending balance VND	Beginning balance VND
Cost of fully-depreciated assets which are still in use	<u>136,326,223,019</u>	<u>129,423,745,420</u>

15. OTHER ASSETS

	Ending balance VND	Beginning balance VND
Receivables	7,866,786,309,830	7,370,512,044,650
In which:		
- Construction in progress and purchasing fixed assets	1,917,476,997,184	3,029,310,545,440
- Other receivables	5,949,309,312,646	4,341,201,499,210
Interest and fee receivable	2,528,258,177,998	1,936,731,434,790
Other assets	1,939,836,383,837	3,396,123,162,220
Provision for other assets	(4,800,000,000)	(4,800,000,000)
	<u>12,330,080,871,665</u>	<u>12,698,566,641,670</u>

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

15. OTHER ASSETS (continued)

15.1 Construction in progress

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Office buildings (*)	1,774,388,200,394	2,924,037,851,475
Equipment and leasehold improvements	97,860,249,573	56,096,839,784
Software	36,772,742,520	42,134,882,240
Repairs and improvements	8,455,804,697	7,040,971,945
	<u>1,917,476,997,184</u>	<u>3,029,310,545,444</u>

(*) Office buildings in this year include VND 1,607 billion due to purchasing new Head Quarter and office building.

Movements in construction in progress during the year are as follows:

	<i>Current year</i> VND	<i>Previous year</i> VND
Beginning balance	3,029,310,545,444	1,656,750,770,246
Additions	324,466,167,104	3,038,533,342,183
Transfer to tangible fixed assets	(19,274,923,817)	(17,565,022,165)
Transfer to intangible fixed assets	(4,337,592,240)	(25,158,284,949)
Transfer to other assets	(62,687,199,307)	(23,250,259,871)
Contract liquidation and withdraw advance	(1,350,000,000,000)	(1,600,000,000,000)
Ending balance	<u>1,917,476,997,184</u>	<u>3,029,310,545,444</u>

15.2 Receivables

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Internal receivables	128,417,505,802	121,258,379,669
External receivables:	5,820,891,806,844	4,219,943,119,545
- Receivables from settlement services	5,059,850,085,400	2,308,234,893,757
- Receivables from usance payable at sight letters of credit (i)	407,762,446,886	1,510,569,126,468
- Receivables from investment cooperation contracts (ii)	98,158,812,279	190,824,134,907
- Deposits for house rentals and other operating activities	49,412,739,886	48,185,824,936
- Advances for court fee	44,503,648,639	29,383,362,319
- Tax receivables	308,370,362	567,277,790
- Receivables from insurance agency services	49,113,492	22,552,800
- Other receivables	160,846,589,900	132,155,946,568
	<u>5,949,309,312,646</u>	<u>4,341,201,499,214</u>

(i) This is receivable from customers relating to usance payable at sight letters of credit.

(ii) This is advance to an enterprise for handling collaterals of bad debts written off by the Bank under investment cooperation contracts with this enterprise.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

15. OTHER ASSETS (continued)

15.3 Interest and fee receivable

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Interest receivable from credit activities and other credit institutions	1,279,719,954,862	1,046,678,140,874
Interest receivable from investment securities	1,049,941,777,960	754,881,845,492
Interest receivable from derivative financial instruments	96,979,425,693	60,472,639,092
Interest receivable from deposits at other credit institutions	89,216,114,363	71,858,019,556
Fee receivables	12,400,905,120	2,840,789,778
	<u>2,528,258,177,998</u>	<u>1,936,731,434,792</u>

15.4 Other assets

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Foreclosed assets of which ownership being transferred and waiting for settlement.	1,687,823,763,165	3,214,650,095,233
Prepaid expenses	218,949,777,070	151,188,581,800
Materials and tools	32,822,783,987	30,086,863,119
Other credit asset	240,059,615	197,622,075
	<u>1,939,836,383,837</u>	<u>3,396,123,162,227</u>

15.5 Provision for other assets

Provision for other assets includes:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Provision for receivables	<u>4,800,000,000</u>	<u>4,800,000,000</u>

16. BORROWINGS FROM THE GOVERNMENT AND THE STATE BANK

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Borrowings from the State bank		
Borrowings under credit documents	94,394,453,562	111,296,115,407
Borrowings through discount, rediscount valuable papers	-	2,483,333,630,199
	<u>94,394,453,562</u>	<u>2,594,629,745,606</u>

These are borrowings from the State Bank under credit documents, interest rate of 3.50% p.a.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

17. DEPOSITS AND BORROWINGS FROM OTHER CREDIT INSTITUTIONS

17.1 Deposits from other credit institutions

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Demand deposits		
In VND	13,520,888,883	15,959,186,311
Term deposits		
In VND	25,758,600,000,000	17,767,500,000,000
In foreign currencies	<u>1,455,510,000,000</u>	<u>2,283,380,000,000</u>
	<u>27,227,630,888,883</u>	<u>20,066,839,186,311</u>

17.2 Borrowings from other credit institutions

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
In VND	3,687,219,101,112	2,038,227,038,403
<i>In which:</i>		
<i>Discounted, rediscounted borrowings</i>	3,273,654,310,000	957,908,000,000
In foreign currencies	<u>125,015,205,772</u>	<u>533,576,633,719</u>
	<u>3,812,234,306,884</u>	<u>2,571,803,672,122</u>

Interest rates of deposits and borrowings from other credit institutions at year-end are as follows:

	<i>31 December 2023</i> % p.a.	<i>31 December 2022</i> % p.a.
Term deposits from other credit institutions in VND	0.65 - 3.70	2.60 - 8.60
Term deposits from other credit institutions in foreign currencies	5.40 - 5.50	4.15 - 4.50
Borrowings from other credit institutions in VND	0.60 - 7.44	3.81 - 13.19
Borrowings from other credit institutions in foreign currencies	0.75 - 9.52	0.75 - 14.07

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

18. CUSTOMER DEPOSITS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Demand deposits	15,029,688,541,614	10,809,453,049,274
- In VND	14,519,528,222,490	10,212,914,878,032
- In foreign currencies	510,160,319,124	596,538,171,242
Term deposits	42,266,684,275,056	35,139,498,246,162
- In VND	42,247,277,475,056	35,099,480,246,162
- In foreign currencies	19,406,800,000	40,018,000,000
Demand saving deposits	13,667,765,026	16,823,609,872
- In VND	3,102,733,344	4,319,632,438
- In foreign currencies	10,565,031,682	12,503,977,434
Term saving deposits	68,290,820,992,134	55,692,309,302,306
- In VND	68,016,605,515,678	55,326,592,282,261
- In foreign currencies	274,215,476,456	365,717,020,045
Deposits for specific purposes	36,276,391,885	232,057,556,135
- In VND	62,419,761	929,327,316
- In foreign currencies	36,213,972,124	231,128,228,819
Margin deposits	308,794,452,844	313,047,546,474
- In VND	308,218,192,176	307,295,370,924
- In foreign currencies	576,260,668	5,752,175,550
	<u>125,945,932,418,559</u>	<u>102,203,189,310,223</u>

Deposits by type of customers and corporate ownership are as follows:

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Economic entities	46,064,932,848,461	37,359,882,601,077
Private enterprises	33,409,026,312,307	25,718,252,260,652
Foreign invested companies	10,522,114,401,701	9,801,909,857,288
State-owned enterprises	2,133,792,134,453	1,839,720,483,137
Individuals	76,763,595,304,632	62,173,391,453,488
Others	3,117,404,265,466	2,669,915,255,658
	<u>125,945,932,418,559</u>	<u>102,203,189,310,223</u>

Interest rates of customer deposits at year-end are as follows:

	<i>31 December 2023</i> % p.a.	<i>31 December 2022</i> % p.a.
Demand deposits in VND	0.10 - 0.50	0.90 - 1.00
Demand deposits in foreign currencies	0.00	0.00
Term deposits in VND	0.50 - 11.50	1.00 - 11.50
Term deposits in foreign currencies	0.00	0.00
Demand saving deposits in VND	0.10 - 0.50	1.00
Demand saving deposits in foreign currencies	0.00	0.00
Term saving deposits in VND	0.50 - 6.30	0.10 - 11.80
Term saving deposits in foreign currencies	0.00	0.00

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

19. GRANTS, ENTRUSTED FUNDS AND LOANS EXPOSED TO RISKS

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Other borrowed and entrusted funds in VND	112,957,753,813	178,894,390,481
Other borrowed and entrusted funds in foreign currencies	<u>4,245,237,500,000</u>	<u>2,989,580,000,000</u>
	<u>4,358,195,253,813</u>	<u>3,168,474,390,481</u>

20. VALUABLE PAPERS ISSUED

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Certificates of deposits:	6,931,500,000,000	10,600,000,000,000
- Under 12 months	6,210,000,000,000	7,800,000,000,000
- From 12 months up to 5 years	721,500,000,000	2,800,000,000,000
Bonds:	30,876,825,000,000	21,422,737,500,000
- Under 12 months	29,050,000,000,000	19,800,000,000,000
- From 12 months up to 5 years	1,826,825,000,000	1,622,737,500,000
- From 5 years and above	<u>37,808,325,000,000</u>	<u>32,022,737,500,000</u>

21. INTEREST AND FEE PAYABLE

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Interest payables for deposits	3,485,832,123,580	2,093,149,147,110
Interest payables for valuable papers issued	1,074,899,210,404	603,971,643,834
Interest payables for derivative financial instruments	64,646,292,428	92,565,584,213
Interest payables for other borrowed and entrusted fund	61,676,289,116	55,412,385,924
Interest payables for borrowings	<u>7,121,283,749</u>	<u>37,388,615,100</u>
	<u>4,694,175,199,277</u>	<u>2,882,487,376,181</u>

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

22. OTHER LIABILITIES

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Internal payables	8,355,993,396	9,027,615,092
- Payables to employees	8,355,993,396	9,027,615,092
External payables	7,493,612,693,442	3,100,385,457,870
- Settlement services	4,657,030,842,725	2,434,773,455,667
- Amounts waiting for settlement	507,484,606,668	33,915,089,345
- Tax payables	397,507,826,869	403,120,884,462
- Remittance payables	86,402,277,810	45,065,141,606
- Dividend payables	18,021,133,195	18,025,379,195
- Other payables	1,827,166,006,175	165,485,507,595
Bonus and welfare fund (*)	135,715,048,773	102,424,213,974
	<u>7,637,683,735,611</u>	<u>3,211,837,286,936</u>

(*) Movements of bonus and welfare fund during the year are as follows:

	<i>Current year VND</i>	<i>Previous year VND</i>
Beginning balance	102,424,213,974	67,110,004,614
Addition during the year	39,838,612,578	42,487,962,159
Utilization during the year	(6,547,777,779)	(7,173,752,799)
Ending balance	<u>135,715,048,773</u>	<u>102,424,213,974</u>

23. TAXES AND OTHER OBLIGATIONS TO THE STATE BUDGET

	31 December 2022		Movements during the year			31 December 2023	
	Payables VND	Receivables VND	Payables VND	Paid VND	Payables VND	Receivables VND	
Value added tax	46,403,908,753	96,584,610	139,102,501,324	(116,980,271,600)	68,546,123,446	116,569,579	
Corporate income tax	347,196,153,151	467,576,935	836,173,454,643	(865,017,764,120)	318,076,067,522	191,800,783	
Personal income tax	8,018,287,030	3,116,245	107,469,920,069	(105,625,775,450)	9,859,315,404	-	
Withholding tax	1,502,535,528	-	11,146,240,068	(11,622,455,099)	1,026,320,497	-	
Land and housing tax	-	-	1,812,806,031	(1,812,806,031)	-	-	
Other taxes	-	-	161,000,000	(161,000,000)	-	-	
	403,120,834,462	567,277,790	1,095,865,922,135	(1,101,220,072,300)	397,507,826,869	308,370,362	

24. OWNERS' EQUITY AND RESERVES

24.1 Statement of changes in equity

	Charter capital VND	Share premium VND	Reserved funds VND	Undistributed profits VND	Total VND
Balance as at 1 January 2023	13,698,828,630,000	1,702,686,297,348	2,793,404,054,952	7,077,320,400,532	25,272,239,382,832
Increase charter capital	6,849,414,310,000	(1,649,414,310,000)	(700,000,000,000)	(4,500,000,000,000)	-
Net profit for the year	-	-	-	3,303,302,700,616	3,303,302,700,616
Appropriation to other funds	-	-	495,352,469,542	(495,352,469,542)	-
Appropriation to bonus and welfare fund	-	-	-	(39,838,612,578)	(39,838,612,578)
Balance as at 31 December 2023	20,548,242,940,000	53,271,987,348	2,588,756,524,494	5,345,432,019,028	28,535,703,470,870

24. OWNERS' EQUITY AND RESERVES (continued)

24.2 Charter capital

	Ending balance		Beginning balance	
	No of shares	Par value (VND)	No of shares	Par value (VND)
Number of registered shares	2,054,824,294	20,548,242,940,000	1,369,882,863	13,698,828,630,000
Number of shares issued				
Ordinary shares	2,054,824,294	20,548,242,940,000	1,369,882,863	13,698,828,630,000
Number of outstanding shares				
Ordinary shares	2,054,824,294	20,548,242,940,000	1,369,882,863	13,698,828,630,000

The par value of each ordinary share of the Bank is VND10,000.

Each ordinary share corresponds to one voting right at shareholders' meetings of the Bank. Shareholders are entitled to receive dividends that the Bank discloses at each point in time. All ordinary shares have the same priority for the remaining assets of the Bank. In respect of shares bought back by the Bank, all rights are suspended until those shares are reissued.

In 2023, OCB raised its charter capital from 13,698,828,630,000 VND to 20,548,242,940,000 VND, representing a substantial increase of 6,849,414,310,000 VND. This augmentation was facilitated through the issuance of shares to existing shareholders at a ratio of 2:1. The funds obtained were allocated towards bolstering the capital base from equity. Confirmation of this revised capital level was obtained through official documentation from the relevant authorities:

- ▶ Decision No. 2090/QĐ-NHNN dated November 6, 2023, issued by the State Bank of Vietnam, which pertains to the modification of capital stipulations outlined in the Operating License of Phuong Dong Commercial Joint Stock Bank;
- ▶ Business Registration Certificate No. 0300852005, granted by the Ho Chi Minh City Department of Planning and Investment, underwent its 39th adjustment on December 8, 2023

24.3 Reserves

	Capital supplementary reserve VND	Financial reserve VND	Other reserves VND	Total VND
Balance as at 1 January 2023	879,935,918,284	1,913,094,079,780	374,056,888	2,793,404,054,952
Appropriation	165,117,489,847	330,234,979,695	-	495,352,469,542
Utilization	(700,000,000,000)	-	-	(700,000,000,000)
Balance as at 31 December 2023	345,053,408,131	2,243,329,059,475	374,056,888	2,588,756,524,494

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

25. BASIC EARNINGS PER SHARE

Earnings per share are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of the Bank (after adjustment for appropriation to bonus and welfare fund) to the weighted average number of ordinary shares outstanding during the year.

	<u>Current year</u>	<u>Previous year (Restated)</u>
Net profit after tax	3,303,302,700,616	3,509,717,944,636
Adjustment for appropriation to bonus and welfare fund	(28,079,502,311)	(39,838,612,578)
Net profit after tax for the year attributable to ordinary shareholders of the Bank	3,275,223,198,305	3,469,879,332,058
Ordinary share issued in previous year	1,369,882,863	1,369,882,863
Impact of bonus share issuance	684,941,431	684,941,431
Weighted average number of ordinary shares for the year (shares)	2,054,824,294	2,054,824,294
Basic earnings per share (VND)	1,594	1,689

Profit used to calculate basic earnings per share for the financial year ended 31 December 2023 has been adjusted to reflect the actual deduction for the bonus and welfare fund from retained earnings for the year ended 31 December 2022 in accordance with Decree No. Resolution of the General Meeting of Shareholders No. 01/2023/NQ-DHDCD dated 28 April 2023. The bonus and welfare fund allocation is estimated based on 1% of profit after-tax after the reservation of the financial reserve fund and charter capital supplementary reserve fund for 2023, and the figure will be revised in the next financial year after the financial year-ended 31 December 2023, General Meeting of Shareholders approves the fund appropriation bonus and welfare fund in 2023.

Moreover, weighted average number of ordinary shares for the year ended 31 December 2022 has been adjusted proportionally to account for the increase in the number of ordinary shares due to bonus share issuance in 2023, assume that this event occurred at the beginning of the previous year.

26. INTEREST AND SIMILAR INCOME

	<u>Current year VND</u>	<u>Previous year VND</u>
Interest income from loans to customers and other credit institutions	15,213,404,380,869	11,844,124,962,969
Interest income from trading and investment debt securities	1,905,760,764,770	1,335,937,457,880
Interest income from deposits at other credit institutions	591,907,050,032	418,826,269,921
Other income from credit activities	231,600,227,415	136,327,549,052
Interest income from guarantee activities	154,988,638,206	332,436,802,290
Interest income from debt trading activities	29,079,630,007	79,042,952
	18,126,740,691,299	14,067,732,085,064

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

27. INTEREST AND SIMILAR EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Interest expenses for deposits from customers and other credit institutions	8,315,620,304,956	5,387,072,773,640
Interest expenses for valuable papers issued	2,368,162,591,912	1,162,321,877,858
Interest expenses for borrowings from other credit institutions and other borrowed and entrusted funds	489,525,234,668	397,252,117,334
Expense for other credit activities	187,914,300,889	173,502,275,055
	11,361,222,432,425	7,120,149,043,887

28. NET FEE AND COMMISSION INCOME

	<i>Current year</i> VND	<i>Previous year</i> VND
Fee and commission income	997,503,692,240	1,124,580,409,488
Consulting activities	241,040,004,995	173,159,179,344
Insurance agency services	197,182,841,756	432,510,995,595
Settlement services	59,217,979,068	70,000,476,772
Wealth management services	7,704,020,910	15,993,194,646
Cash services	1,672,052,424	4,173,112,120
Other services	490,686,793,087	428,743,451,011
Fee and commission expenses	(115,440,748,295)	(110,406,103,023)
Settlement services	(12,249,439,560)	(11,125,074,890)
Consulting activities	(5,908,081,000)	(4,087,500,000)
Brokerage fees	(3,124,292,713)	(24,357,686,364)
Cash services	(997,012,664)	(2,314,195,505)
Post and telecommunication	(924,118,037)	(937,931,202)
Other expenses	(92,237,804,321)	(67,583,715,062)
Net fee and commission income	882,062,943,945	1,014,174,306,465

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

29. NET GAIN FROM TRADING OF FOREIGN CURRENCIES

	<i>Current year</i> <i>VND</i>	<i>Previous year</i> <i>VND</i>
Income from trading of foreign currencies	850,993,922,741	800,446,349,987
Trading of currency derivatives	714,231,353,738	440,233,831,434
Spot trading of foreign currencies	136,045,782,571	360,041,202,217
Gold trading	716,786,432	171,316,336
Expense from trading of foreign currencies	(461,928,954,642)	(655,332,466,323)
Trading of currency derivatives	(455,270,411,561)	(446,287,949,285)
Spot trading of foreign currencies	(6,658,543,081)	(208,999,621,636)
Gold trading	-	(44,895,402)
	389,064,968,099	145,113,883,664

30. NET GAIN/(LOSS) FROM SECURITIES HELD FOR TRADING

	<i>Current year</i> <i>VND</i>	<i>Previous year</i> <i>VND</i>
Income from trading of securities held for trading	1,496,347,500	49,326,352,250
Expenses for trading of securities held for trading	-	(126,591,370,000)
	1,496,347,500	(77,265,017,750)

31. NET GAIN/(LOSS) FROM INVESTMENT SECURITIES

	<i>Current year</i> <i>VND</i>	<i>Previous year</i> <i>VND</i>
Income from trading of investment securities	731,155,077,296	190,259,400,906
Expense from trading of investment securities	(79,211,776,882)	(308,231,291,528)
Provision charged for investment securities	(5,381,650,843)	(22,224,451,985)
	646,561,649,571	(140,196,342,607)

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

32. NET GAIN FROM OTHER OPERATING ACTIVITIES

	<i>Current year</i> VND	<i>Previous year</i> VND
Income from other operating activities	1,499,975,125,029	783,661,855,763
Income from disposal of other assets	1,146,357,705,878	97,080,480,377
Recovery of debts previously written off	86,690,315,928	351,078,636,811
Other business income	20,529,868,619	82,816,211,428
Income from disposal of fixed assets	311,713,634	232,775,204
Other income	246,085,520,970	252,453,751,943
Expense from other operating activities	(1,246,552,733,976)	(139,500,228,447)
Expense from disposal of other assets	(1,093,165,746,132)	(78,894,213,033)
Other business expenses	(21,672,047,038)	(46,133,267,878)
Expenses from disposal of fixed assets	(1,196,848,633)	(595,784,581)
Other expenses	(130,518,092,173)	(13,876,962,955)
	253,422,391,053	644,161,627,316

33. OPERATING EXPENSES

	<i>Current year</i> VND	<i>Previous year</i> VND
Expenses on taxes and fees	3,384,466,924	5,417,610,744
Personnel expenses	1,939,838,578,351	2,030,006,109,354
<i>In which:</i>		
- Salary and allowances	1,701,608,988,298	1,819,400,972,627
- Expenses related to salary	153,085,837,915	133,364,781,365
- Subsidy	4,945,886,707	834,267,462
- Others	80,197,865,431	76,406,087,900
Expenses on asset	496,478,499,699	411,791,512,218
<i>In which:</i>		
- Depreciation and amortization of fixed assets	103,741,071,791	98,438,354,804
- Others	392,737,427,908	313,353,157,414
Administrative expenses	633,346,741,724	552,496,210,602
Insurance fee for customer deposits	98,376,751,862	77,090,914,887
	3,171,425,038,560	3,076,802,357,805

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

34. CORPORATE INCOME TAX EXPENSE

The Bank has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits according to Circular No. 78/2014/TT-BTC which became effective from 2 August 2014.

The Bank's tax reports are subject to examination by the tax authorities. Because the application of tax laws and regulations to many types of transactions is susceptible to varying interpretations, amount reported in the financial statements could be changed at a later date upon final determination by the tax authorities.

Current income tax expense is computed as follows:

	<i>Current year VND</i>	<i>Previous year VND</i>
Profit before tax	4,139,476,155,259	4,389,307,648,075
Adjustments to consolidate the financial statement	185,300,034	(200,912,354)
Accounting profit before tax before adjustments for consolidation of financial statement	4,139,661,455,293	4,389,106,735,721
<i>Increase/(decrease):</i>		
- Non-deductible expenses	39,231,518,638	8,796,283,086
- Other adjustments	(5,609,360)	-
Estimated taxable income for the year	4,178,887,364,571	4,397,903,018,807
Estimated income tax expenses at prevailing tax rate	835,777,472,914	879,580,603,761
Unused subsidiary company's tax loss carryforwards	(9,099,678)	9,099,678
Supplementary tax for previous years	405,081,407	-
Income tax expense for the year	836,173,454,643	879,589,703,439

35. CASH AND CASH EQUIVALENTS

Cash and cash equivalents included in the consolidated cash flow statement comprise the following amounts in the consolidated statement of financial position:

	<i>Ending balance VND</i>	<i>Beginning balance VND</i>
Cash, gold, gemstones	779,733,563,086	793,464,354,495
Balances with the State Bank	6,965,365,039,785	3,225,386,957,711
Deposits and loans to other credit institutions with terms of 3 months or less	32,303,914,945,061	18,426,225,031,606
	40,049,013,547,932	22,445,076,343,812

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

34. CORPORATE INCOME TAX EXPENSE

The Bank has the obligation to pay corporate income tax ("CIT") at the rate of 20% of taxable profits according to Circular No. 78/2014/TT-BTC which became effective from 2 August 2014.

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	40,049,013,547,932	22,445,076,343,812

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

36. EMPLOYEES' INCOME

	<u>Current year</u>	<u>Previous year</u>
I. Average number of employees during the year (persons)	6,353	6,673
II. Employees' income (VND)		
1. Salary	1,698,069,482,642	1,538,586,661,138
2. Bonus	241,312,586,780	494,063,068,053
3. Total income (1+2)	<u>1,939,382,069,422</u>	<u>2,032,649,729,191</u>
4. Monthly average salary per capital (VND/employee/month)	<u>22,273,853</u>	<u>19,214,080</u>
5. Monthly average income per capital (VND/employee/month)	<u>25,439,190</u>	<u>25,384,007</u>

37. ASSETS, VALUABLE PAPERS MORTGAGED, PLEDGED AND DISCOUNTED AND REDISCOUNTED

37.1 Assets, valuable papers mortgaged, pledged and discounted and rediscounted

Type and book value of collateral assets of customers at year-end are as follows:

	<u>Book value</u>	
	<u>Ending balance</u> VND	<u>Beginning balance</u> VND
Real estates	179,737,008,839,869	170,536,521,610,623
Movable assets	26,864,575,508,580	26,338,652,329,267
Valuable papers	24,469,745,569,069	23,527,292,788,469
Other assets	73,697,978,462,476	50,918,992,023,922
	<u>304,769,308,379,994</u>	<u>271,321,458,752,281</u>

37.2 Assets, valuable papers of the Bank mortgaged, pledged and discounted, rediscounted

	<u>Ending balance</u> VND	<u>Beginning balance</u> VND
Available-for-sale securities		
- Pledged at the SBV	5,262,472,738,511	10,711,768,577,182
- Pledged at other credit institutions	4,349,604,286,422	4,304,836,705,783
	<u>9,612,077,024,933</u>	<u>15,016,605,282,965</u>

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

38. CONTINGENT LIABILITIES AND COMMITMENTS

Details of contingent liabilities and commitments as at 31 December 2023 are as follows:

	31 December 2023		
	Contract value - gross VND	Margin deposits VND	Contract value - net VND
Credit guarantees	28,212,000,000	260,764,721	27,951,235,279
Foreign exchange commitments	158,389,419,615,570	-	158,389,419,615,570
<i>Spot foreign exchange commitments - buy</i>	296,243,446,052	-	296,243,446,052
<i>Spot foreign exchange commitments - sell</i>	296,226,105,852	-	296,226,105,852
<i>Swap contracts</i>	157,796,950,063,666	-	157,796,950,063,666
Letters of credit	1,291,666,414,821	6,201,674,071	1,285,464,740,750
<i>Commitments financed by other banks</i>	412,224,072,395	-	412,224,072,395
<i>Unsettled commitments</i>	879,442,342,426	6,201,674,071	873,240,668,355
Other guarantees	6,802,538,170,024	287,125,717,552	6,515,412,452,472
Total	166,511,836,200,415	293,588,156,344	166,218,248,044,071

Details of contingent liabilities and commitments as at 31 December 2022 are as follows:

	31 December 2022		
	Contract value - gross VND	Margin deposits VND	Contract value - net VND
Credit guarantees	40,932,000,000	10,211,731,049	30,720,268,951
Foreign exchange commitments	66,176,116,111,944	-	66,176,116,111,944
<i>Spot foreign exchange commitments - buy</i>	379,375,922,149	-	379,375,922,149
<i>Spot foreign exchange commitments - sell</i>	380,196,244,471	-	380,196,244,471
<i>Swap contracts</i>	65,416,543,945,324	-	65,416,543,945,324
Letters of credit	3,433,245,468,713	30,330,410,247	3,402,915,058,466
<i>Commitments financed by other banks</i>	1,503,952,368,963	-	1,503,952,368,963
<i>Unsettled commitments</i>	1,929,293,099,750	30,330,410,247	1,898,962,689,503
Other guarantees	9,684,126,795,815	259,873,306,644	9,424,253,489,171
Other commitments	1,867,200,000,000	-	1,867,200,000,000
Total	81,201,620,376,472	300,415,447,940	80,901,204,928,532

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

39. UNCOLLECTED INTEREST AND RECEIVABLE FEES

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Lending interests in VND that have not been collected yet	2,474,538,204,230	2,363,531,193,541
Receivable fees that have not been collected yet	192,875,421,062	883,760,054,746
Security interests that have not been collected yet	19,941,087,465	-
	<u>2,687,354,712,757</u>	<u>3,247,291,248,287</u>

40. WRITTEN-OFF DEBTS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Loss principal debts being under monitoring	4,940,425,148,324	4,307,741,445,619
Loss interest debts being under monitoring	5,271,273,558,728	3,486,907,703,767
	<u>10,211,698,707,052</u>	<u>7,794,649,149,386</u>

41. OTHER ASSETS AND DOCUMENTS

	<i>Ending balance</i> VND	<i>Beginning balance</i> VND
Other valuable documents being preserved	12,654,655,550,357	15,659,938,327,414
Other assets kept for customers	12,056,452,521,418	14,380,127,371,130
Foreclosed assets pending for settlement	2,548,371,690,420	1,289,166,846,231
Outsourced assets	20,329,357,200	20,329,357,200
Precious metals, precious stones kept for customers	3,601,500,000	3,248,700,000
	<u>27,283,410,619,395</u>	<u>31,352,810,601,975</u>

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

42. RELATED PARTY TRANSACTIONS

Related party transactions include all transactions undertaken with other parties to which the Bank is related. A party is considered to be related if the party has ability to control or to influence other parties in making decision of financial policies and operational activities. A party is related to the Bank if:

- (a) Directly, or indirectly through one or more intermediaries, the party:
 - ▶ controls, is controlled by, or is under common control with the Bank (including parents and subsidiaries);
 - ▶ has an interest (owning 5% or more of the charter capital or voting share capital) in the Bank that gives it significant influence over the Bank;
 - ▶ Has joint control over the Bank;
- (b) The party is a joint venture in which the Bank is a venture or an associate (owning over 11% of the charter capital or voting share capital, but is not a subsidiary of the Bank);
- (c) The party is a member of the key management personnel of the Bank;
- (d) The party is a close member of the family of any individual referred to in (a) or (c); or
- (e) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such company resides with, directly or indirectly, any individual referred to in (c) or (d).

Significant transactions with related parties during the year are as follows:

<u>Related parties</u>	<u>Transactions</u>	<u>Ending balance VND</u>	<u>Beginning balance VND</u>
Board of Directors, Board of Supervision and Management	Remuneration	57,532,419,373	65,576,099,917
	Interest expenses on deposits	5,105,641,352	1,412,392,420

The Bank pays remuneration for the Board of Directors and the Supervisory Board in accordance with the Resolution No. 01/2022/NQ-DHDCD dated 23 April 2022 of the General Meeting of Shareholders. Income of the Board of Management is paid in accordance with the Bank's Salary Regulations.

Balances with related parties as at the year-end are as follows:

<u>Related parties</u>	<u>Transactions</u>	<u>Payables</u>	
		<u>Ending balance VND</u>	<u>Beginning balance VND</u>
Board of Directors, Board of Supervision and Management	Deposits	(48,453,446,404)	(36,207,950,238)
	Interest payables	(754,585,611)	(373,754,431)

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

42. RELATED PARTY TRANSACTIONS (continued)

(i) Remuneration for the Board of Directors and Income of the Board of Management are as follows:

<i>Name</i>	<i>Position</i>	<i>Current year VND</i>	<i>Previous Year VND</i>
Mr. Trinh Van Tuan	Chairman	13,483,174,000	15,066,118,000
Mr. Ito Takeshi	Member	-	850,300,000
Mr. Yoshizawa Toshiki	Member	1,470,400,000	2,490,600,000
Ms. Trinh Thi Mai Anh	Member	2,670,400,000	2,970,400,000
Mr. Pham Tri Nguyen	Independent member	930,400,000	870,400,000
Mr. Bui Minh Duc	Independent member	930,400,000	870,400,000
Mr. Ngo Ha Bac	Member	2,010,400,000	2,170,400,000
Mr. Phan Trung	Member	930,400,000	870,400,000
Mr. Kato Shin	Member	920,300,000	-
Mr. Nguyen Dinh Tung	General Director	11,282,562,000	12,486,510,400
Other members		20,374,443,373	24,216,031,517
TOTAL		55,002,879,373	62,861,559,917

(i) Remuneration for Board of Supervisors are as follows:

	<i>Current year VND</i>	<i>Previous year VND</i>
Remuneration	2,529,540,000	2,714,540,000

43. CONCENTRATION OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS BY GEOGRAPHICAL REGIONS

	<i>Domestic VND</i>	<i>Foreign VND</i>	<i>Total VND</i>
Assets as at 31 December 2023			
Deposits and loans to other credit institutions	32,467,995,596,853	1,432,220,882,657	33,900,216,479,510
Securities held for trading	-	-	-
Derivatives instruments and other financial assets (total contract nominal value)	76,168,117,883,056	-	76,168,117,883,056
Loans to customers - gross	147,206,466,215,571	-	147,206,466,215,571
Purchased debts - gross	550,900,000,000	-	550,900,000,000
Investment securities - gross	40,331,397,720,516	-	40,331,397,720,516
Liabilities as at 31 December 2023			
Deposits and borrowings from other credit institutions	30,969,894,761,280	69,970,434,487	31,039,865,195,767
Customer deposits	124,287,507,598,352	1,658,424,820,207	125,945,932,418,559
Other grants and entrusted funds	112,957,753,813	4,245,237,500,000	4,358,195,253,813
Valuable papers issued	37,808,325,000,000	-	37,808,325,000,000
Off-balance sheet commitments as at 31 December 2023 - gross	8,122,416,584,845	-	8,122,416,584,845

44. SEGMENT REPORT

44.1 Primary segment report by geographical areas

For the year ended 31 December 2023

	The South VND	The North VND	The Central VND	Elimination VND	Total VND
I. Revenue					
1. Interest revenue	44,727,891,410,479	4,953,584,718,624	3,470,788,884,108	(30,937,059,530,879)	22,215,205,482,332
Interest income from external	40,210,470,583,381	4,632,383,130,771	3,317,626,685,895	(30,033,739,708,748)	18,126,740,691,299
Interest income from internal	12,863,607,420,407	2,894,612,825,670	2,368,520,445,222	-	18,126,740,691,299
2. Fee and commission revenue	27,346,863,162,974	1,737,770,305,101	949,106,240,673	(30,033,739,708,748)	-
3. Other revenue	836,108,218,516	123,432,770,999	37,963,062,725	(360,000)	997,503,692,240
	3,681,312,608,582	197,768,816,854	115,199,135,488	(903,319,462,131)	3,090,961,098,793
II. Expense					
1. Interest expense	(40,215,561,131,886)	(4,264,817,063,719)	(2,904,999,997,090)	30,936,874,230,845	(16,448,503,961,850)
Interest expense from external	(35,110,320,823,616)	(3,773,075,363,240)	(2,511,565,954,317)	30,033,739,708,748	(11,361,222,432,425)
Interest expense from internal	(9,075,171,951,771)	(1,478,731,980,589)	(807,318,500,065)	-	(11,361,222,432,425)
2. Depreciation and amortization expenses	(26,035,148,871,845)	(2,294,343,382,651)	(1,704,247,454,252)	30,033,739,708,748	-
3. Operating expenses	(90,009,285,359)	(6,852,117,135)	(6,879,669,297)	903,134,522,097	(103,741,071,791)
	(5,015,231,022,911)	(484,889,583,344)	(386,554,373,476)	-	(4,983,540,457,634)
Profit before provision expenses for credit losses	4,512,330,278,593	688,767,654,905	565,788,687,018	(185,300,034)	5,766,701,520,482
Provision expenses for credit losses	(1,593,996,678,399)	68,423,993,774	(101,652,680,599)	-	(1,627,225,365,223)
Segment profit	2,918,333,600,194	757,191,648,679	464,136,206,420	(185,300,034)	4,139,476,155,259
III. Assets					
1. Cash and gold	492,230,160,611	170,477,178,098	117,036,224,377	-	779,733,563,086
2. Fixed assets	435,663,294,218	38,536,767,964	80,364,977,468	-	554,565,039,650
3. Other assets	199,819,549,273,334	25,165,530,548,586	13,844,885,860,141	(49,989,557,338)	238,779,976,124,723
Total assets	200,747,442,728,163	25,374,544,494,648	14,042,277,061,586	(49,989,557,338)	240,114,274,727,459
IV. Liabilities					
1. External liabilities	(173,263,144,449,414)	(24,618,225,529,153)	(13,578,140,855,566)	25,010,619,713	(211,434,500,214,420)
2. Internal liabilities	(8,355,993,396)	-	-	-	(8,355,993,396)
3. Other liabilities	(135,715,048,773)	-	-	-	(135,715,048,773)
Total Liabilities	(173,407,215,491,583)	(24,618,225,529,153)	(13,578,140,855,566)	25,010,619,713	(211,578,571,256,589)

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

44. SEGMENT REPORT (continued)

44.2 *Secondary segment report*

The Bank mainly operates in one business segment which is commercial banking.

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS

The Bank has exposure to the following risks from financial instruments:

- ▶ credit risk;
- ▶ liquidity risk; and
- ▶ market risk.

This note presents information about the Bank's exposure to each of the above risks, its objectives, policies and processes for measuring and managing risk, and management of capital.

Risk management framework

The Board of Directors ("BOD") has overall responsibility for the establishment and oversight of risk management framework and is ultimately responsible for the quality and effectiveness of the Bank's risk management. To facilitate this oversight function, the Bank's BOD has established an Assets and Liabilities Committee ("ALCO") and a Risk Committee ("RCO") which are responsible for developing and monitoring key risk management policies for specific areas authorized by the BOD and periodically reporting to the BOD on their activities. These committees include both voting and non-voting members

The Bank's risk management framework is established to form key principles in managing and controlling significant risks arising from the Bank's activities. Based on this, specific policies and regulations for each type of risk are established to assist the Bank in analyzing and determining appropriate risk limits, controlling and monitoring measures and ensuring adherence to the limits.

Risk management policies and systems are reviewed regularly to reflect changes in market conditions, products and services offered. The Bank, through its training and management standards and procedures, aims to develop a disciplined and constructive control environment, in which all employees understand their roles and obligations.

45.1 *Credit risk*

The Bank is subject to credit risk through its loans to customers, deposits and loans to other banks and investments in corporate bonds and in cases where it acts as an intermediary on behalf of customers or other third parties or issues guarantees. Credit risk arises when a customer, obligor or partner fails to perform or improperly performs or does not fulfill their obligations under the commitments and agreements entered into with the Bank. The Bank's primary exposure to credit risk arises through its loans and advances to corporates and retail customers and investments in corporate bonds. The amount of credit exposure in this regard is represented by the carrying amounts of the assets on the statement of financial position. In addition, the Bank is exposed to off balance sheet credit risk through guarantees commitments, letters of credit and derivatives issued.

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.1 Credit risk (continued)

Credit risk management

Credit risk is the one that exerts the largest impact on the Bank's income and capital. The Bank has established a credit risk appetite on the basis of managing credit activities in a prudent manner and pre-determined credit limits including the credit concentration risk limits and adhering to the Bank's risk tolerance. In principle, the Bank identifies and manages credit risk in all activities and products with potential credit risk and ensures that the Bank provides new products only when sufficient regulations and procedures related to new products or operation in new markets in order to identify, measure, evaluate, monitor and control critical exposure risks are in place. To keep credit risks under control, the Bank's policy is to engage in transactions with reliable partners, and request its partners to take guarantee measures as and when required.

The credit risk management system is operating based on the principles of independence and centralization. Accordingly, the development of risk management policies, determination of risk limits and risk monitoring, risk reporting and risk control are implemented independently and centrally at the Risk Management Division. The reports from the Risk Management Division are a basis for RCO to issue key credit decisions.

The Bank measures credit risks, makes allowances and complies with safe ratios for loans and advances to customers and to other credit institutions in accordance with relevant regulations of the SBV.

The Bank's overall approach to credit risk is a risk-based approach. Accordingly, credit approval or credit valuation decisions as well as the behavioral methods in monitoring and classifying credits and controlling credit risks are being designed following the risk levels of customers. To this end, key activities being implemented by the Bank include the followings:

- ▶ Focusing on completion of data infrastructure used for developing credit rating and risk classification systems in accordance with international standards;
- ▶ Developing and completing the credit rating system and the scorecard system;
- ▶ Gathering and reviewing credit policies/documents of the whole system to reassess the integrity and responsiveness to the requirements specified in the policies of Risk Management Framework;
- ▶ Completing the credit quality monitoring mechanism for the entire life cycle of a loan;
- ▶ Developing an early credit risk warning system; and
- ▶ Developing a debt recovery and restructuring system.



> 48%

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.1 Credit risk (continued)

The maximum exposure to credit risk before taking collateral held or other credit enhancements into account

The maximum exposures to credit risk relating to financial asset groups, which are equivalent to their carrying values in the consolidated statement of financial position, are listed below.

	Not past due VND	Past due but not impaired VND	Past due and individually impaired VND	Total VND
Deposits and loans to other credit institutions	33,900,216,479,510	-	-	33,900,216,479,510
- Deposits at other credit institutions	32,303,914,945,061	-	-	32,303,914,945,061
- Loans to other credit institutions	1,596,301,534,449	-	-	1,596,301,534,449
Loans to customers and purchased debts - gross	136,988,680,588,997	2,411,530,487,752	8,357,155,138,822	147,757,366,215,571
Available-for-sale securities - gross	40,217,701,645,786	113,696,074,730	-	40,331,397,720,516
Other assets - gross	8,472,767,490,644	-	4,800,000,000	8,477,567,490,644
Total	219,579,366,204,937	2,525,226,562,482	8,361,955,138,822	230,466,547,906,241

The Bank's financial assets which are not past due include loans to customers classified as group 1, in accordance with Circular 11; (including group 1 debts of the Bank's self-classification (excluding Covid-19 restructuring and Circular 02 restructuring items with additional provisions) and Covid restructuring and Circular 02 restructuring debts classified group 1 after updating CIC), securities, receivables and other financial assets which are not overdue and not required to make provisions under Circular 48 and Circular 24). The Bank believes that it can recover fully and timely these financial assets in the near future.

The financial assets are past due but not impaired because the Bank is currently holding the sufficient collateral assets to cover the credit losses in accordance with the current regulations of the State Bank of Vietnam.

The Bank currently hold collaterals such as real estates, movable assets, valuable papers and other collaterals to secure for these financial assets. The Bank can not determine completely fair value of these collaterals due to lack of detail instructions and necessary market information as well.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 *Market risk*

Market risk is the risk that negative changes in interest rate, exchange rate, gold price, securities price and market-related values of commodities. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return on risk.

Market risk management

Management of market risks is vested in the Market Risk Department under the Risk Management Division. The Department is responsible for the development of detailed market risk management policies and processes, instruments, guidance on market risks management measures, propose independent market risks limits for review and approval by the Management and control market risks limit on daily/monthly basis according to the Bank's regulations.

The issued market risk management policy has provided fundamental principles and a system of tools, market risk limits on trading activities (Trading book) and other interest rate risk positions in the Banking Book, with controls such as the Net FX Exposure, Present value of a basis point - PV01, cash flow exposure, Duration gap and maturity gap measurement (using the Repricing Model - Revaluation Gap).

Market forecasts also play an important role in market risk management. The Market Risk Management Department in combination with other specialized units gathers and analyzes information and data to generate forecasts regarding potential market movements. Accordingly, the Bank is provided with a sufficient basis for making decisions on effective risk prevention measures.

The real interest rate re-pricing term is the remaining period from the date of preparation of the financial statements to the most recent interest repricing period of the assets and capital items.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 *Market risk* (continued)

(a) *Interest rate risk*

The following assumptions and conditions have been adopted in the analysis of repricing period of interest rate of the assets and liabilities of the Bank and its subsidiary:

- ▶ Cash and gold; investment/capital securities; long term investments and other assets (including fixed assets, investment real estates and other assets are classified as non-interest bearing items.
- ▶ Balances with the State Bank and current deposit at other credit institutions are considered as current and accordingly, as non - interest bearing items.
- ▶ The repricing period of interest rate of investment securities are determined based on the actual maturity term of issuance party. Trading securities are debt securities in term from 6 to 12 months. Discount/premium of bonds are classified as non-interest bearing items.
- ▶ The repricing period of interest rate of balances due from and loans to other credit institutions; loans to customers; borrowing from the SBV; balances due to and borrowings from other credit institutions and due to customers are determined as follows:
 - Items which bear fixed interest rate for the entire contractual term: the repricing period of interest rate is determined based on the remaining contractual term calculated from the consolidated statement of financial position date.
 - Items which bear floating interest rate: the repricing period of interest rate is determined from the consolidated statement of financial position date to the next interest reset date.
- ▶ The real interest repricing term for valuable papers is based on the actual maturity of each type of valuable papers.
- ▶ The real interest repricing term of the investment trust or loan portfolio that the credit institution bears the risk based on the repricing term of interest as stipulated in the contract (if any) or the actual maturity of the transaction.
- ▶ With a cautious stance that mobilization from Market 1 is due before maturity (but not yet settled) is the debt obligation that the Bank must prioritize at the highest level for payment to partners or customers. Accordingly, the entire balance of these deposits is revalued by the Bank immediately to ensure timely and sufficient measurement of the impact of market interest rate changes on profitability of the Bank.

Interest rate policies of the Bank:

For interbank market lending (short-term), the investment rate is determined by market conditions and the cost of capital of the Bank.

Based on forecasts of interest rate developments in the market, and the ability to balance resources, the Bank make appropriate investment decisions.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 Market risk (continued)

(a) Interest rate risk (continued)

For capital mobilization, interest rates are determined in accordance with market principles, combined with the business direction of the management and the capital balance of the Bank and regulations of the SBV.

For lending activities, the Bank set lending interest rates on the principle of covering capital expenditures and management expenses, on the basis of consideration of risk factors and prices. The value of collateral assets, interest rates in the market, ensuring the competitiveness and business efficiency of the Bank. Head office shall set lending interest rate in each period; Business units are able to proactively determine the lending interest rates for customers in each period, ensuring that they are not lower than the interest rate floor based on the analysis and assessment of credit risks and must ensure the fulfillment of the interest plan.

The Bank manage interest rate risk at two transaction and portfolio levels.

Management tools, operating interest rates of the Bank:

- ▶ Adjustment of lending interest rate adjustment period corresponding to the revaluation period of the capital source. Control over the revaluation gap to the extent permitted;
- ▶ All credit contracts must have provisions to prevent interest rate risk to ensure that the Bank are always active in the face of unusual fluctuations of the market, lending interest rates must be built based on the true cost of capital mobilization of the Bank;
- ▶ Operation through internal fund transfer pricing (FTP).

With the experience and sensitivity in operation, the Bank have carefully and flexibly managed deposit and loan interest rates to ensure safety, efficiency, growth and expand market share.

45.2 Market risk (continued)

(a) Interest rate risk (continued)

Below table shows an analysis of the re-pricing period of interest of assets and liabilities as at 31 December 2023.

	Interest re-pricing period							Total VND	
	Overdue VND	Non-interest bearing VND	Up to 1 month VND	From 1 - 3 months VND	From 3 - 6 months VND	From 6 - 12 months VND	From 1 - 5 years VND		Over 5 years VND
Assets									
Cash, gold and gemstones	-	779,733,563,066	-	-	-	-	-	-	779,733,563,066
Balances with the SBV	-	6,965,365,039,785	-	-	-	-	-	-	6,965,365,039,785
Deposits and loans to other credit institutions	-	1,607,194,945,061	26,122,420,309,808	5,628,619,067,385	387,663,518,256	34,561,619,000	109,727,000,000	-	33,900,216,478,510
Derivatives instruments and other financial assets	-	41,473,565,365	-	-	-	-	-	-	41,473,565,365
Loans to customers and purchased debts - gross	7,381,706,130,213	-	24,907,368,032,882	49,860,716,794,404	48,812,590,031,467	12,281,062,538,804	4,519,892,687,801	-	147,757,366,215,571
Investment securities - gross	-	2,367,881,120,516	-	3,450,000,000,000	4,534,400,000,000	14,669,600,000,000	1,320,916,600,000	14,188,600,000,000	40,331,387,720,518
Fixed assets	-	554,565,039,650	-	-	-	-	-	-	554,565,039,650
Other assets - gross	4,800,000,000	12,330,980,871,965	-	-	-	-	-	-	12,334,980,871,965
Total assets	7,386,505,130,213	24,646,294,145,128	51,033,788,362,690	59,939,335,851,789	53,734,653,549,723	26,985,284,157,804	5,750,536,287,801	14,188,600,000,000	242,664,966,496,148
Liabilities									
Amount due to the Government and the SBV	-	-	-	-	-	94,394,453,562	-	-	94,394,453,562
Deposits and borrowings from other credit institutions	-	-	28,094,786,607,720	2,528,020,778,964	193,538,011,800	124,812,562,389	98,727,234,997	-	31,039,865,195,767
Customer deposits	-	-	45,793,241,026,171	34,189,219,980,560	29,352,425,118,125	13,117,130,228,585	3,484,641,866,398	74,198,720	125,945,532,418,559
Other borrowed and entrusted funds	-	-	-	1,673,701,778	1,692,866,500	487,067,252,500	3,667,731,403,035	-	4,358,195,253,813
Value papers issued	-	-	2,000,000,000,000	3,400,000,000,000	780,000,000,000	-	31,598,325,000,000	-	37,898,325,000,000
Other liabilities	-	12,331,958,934,868	-	-	-	-	-	-	12,331,958,934,868
Total liabilities	-	12,331,958,934,868	75,918,007,633,891	48,127,914,461,199	39,327,656,026,425	13,823,434,487,836	39,849,625,504,430	74,198,720	211,578,571,256,589
Interest rate sensitivity gap	7,386,505,130,213	12,314,335,210,260	(24,884,219,271,201)	18,811,421,400,590	23,406,997,523,298	13,161,849,660,768	(33,299,889,216,629)	14,188,525,891,280	31,086,427,238,559

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 Market risk (continued)

(a) Interest rate risk (continued)

Interest sensitivity

Assuming that market interest rate of VND and USD fluctuates, the Bank has performed the analysis of interest rate sensitivity on net interest and similar income as at 31 December 2023 is as follows:

	<u>Assumed level of increase</u>	<u>Effects on net interest and similar income VND</u>
As at 31 December 2023		
VND	0.20%	(16,810,948,142)
VND	-0.20%	16,810,948,142
USD	0.20%	(10,098,664,017)
USD	-0.20%	10,098,664,017

(b) Currency risk

Currency risk is the risk that the value of financial instruments fluctuates due to exchange rate fluctuations. The Bank was incorporated and operates in Vietnam, with VND as its reporting currency. Meanwhile, the Assets – Resources Structure of the Bank includes other currencies (e.g. USD, EUR, AUD, etc.) and thus the Bank has currency risks.

Currency risk management

The Bank's management has set limits on positions by currency in accordance with the Bank's internal risk assessment system and the SBV's regulations. The major currency in which the Bank transacts is VND. The Bank's loans and advances were mainly denominated in VND with the remainder mainly in USD. Some of the Bank's other assets are in currencies other than the reporting currency of VND and USD. Positions are monitored on a daily basis and hedging strategies used to ensure positions are maintained within established limits.

Exchange rates of major currencies as at the reporting date are presented in Note 49.

Exchange rate sensitivity

Assuming that all variables remain constant, the following table shows the effects on profit before tax and equity of the Bank due to changes in exchange rates. Risk due to change of exchange rate to other currencies of the Bank is not significant.

	<u>Assumed level of increase</u>	<u>Effects on profit after tax VND</u>
As at 31 December 2023		
USD	-3%	(828,324,872)
USD	3%	828,324,872

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 Market risk (continued)

(b) Currency risk (continued)

The following table presents assets and liabilities in foreign currencies translated into VND as at 31 December 2023:

	EUR equivalent VND	USD equivalent VND	Gold currencies equivalent VND	Other currencies equivalent VND	Total VND
Assets					
Cash, gold and gemstones	4,170,325,630	77,317,661,552	7,298,550,000	3,277,751,304	92,064,288,486
Balances with the SBV	1,073,068,913	36,813,216,193	-	-	37,886,285,106
Deposits and loans to other credit institutions	14,381,443,242	5,615,891,524,867	-	1,261,429,112,139	6,891,702,080,248
Derivatives and other financial assets	-	(197,958,452,329)	-	(1,112,014,373,587)	(1,309,972,825,916)
Loans to customers - gross	-	1,053,525,197,883	-	-	1,053,525,197,883
Other assets - gross	-	293,374,952,555	-	7,456,050	293,382,408,605
Total assets	19,624,837,785	6,878,964,100,721	7,298,550,000	152,699,945,906	7,058,587,434,412
Liabilities					
Deposits and borrowings from other credit institutions	-	1,580,525,205,772	-	-	1,580,525,205,772
Customer deposits	14,225,236,087	767,998,778,052	-	68,913,845,915	851,137,860,054
Grants, entrusted funds and loans exposed to risks	-	4,245,237,500,000	-	-	4,245,237,500,000
Other liabilities	166,478,019	106,589,149,513	9,734,340	3,270,400,324	110,035,762,196
Total liabilities	14,391,714,106	6,700,350,633,337	9,734,340	72,184,246,239	6,786,936,328,022
FX position on balance sheet	5,233,123,679	178,613,467,384	7,288,815,660	80,515,699,667	271,651,106,390
FX position off-balance sheet	(2,684,350,000)	(144,078,909,800)	-	(71,532,400,000)	(218,295,659,800)
Net on, off-balance sheet FX position	2,548,773,679	34,534,557,584	7,288,815,660	8,983,299,667	53,355,446,590

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 Market risk (continued)

(c) Liquidity risk

Liquidity risk is the risk that the Bank will not be able to meet its financial obligations as they fall due, or, the risk that the Bank might have to face unacceptable material losses in order to meet those obligations. Liquidity risk may lead to negative effect on the Bank's profit, reputation, equity, even causes the Bank's bankruptcy.

Liquidity risk management

The Bank maintains a specific portfolio and volume of high-liquidation assets, which may include but not limited to cash, gold, interbank deposits, Government bonds and other high-liquidation assets in order to meet its liabilities when due under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Bank's reputation. The Bank will establish specific liquidity gap and follow strictly on each period based on Assets and Liabilities structure.

The Bank understands the interrelation of credit risk and market risk and how they may have impacts on the Bank's liquidity. The Bank also realizes that liquidity risks come from two sides of its statement of financial position. Therefore, the Bank's approach to managing liquidity is to constantly focus on diversification of investment and credit activities and increases of accessibility to capital markets by various fund raising tools and products.

The Market Risk and Liquidity Management Department under the Risk Management Division is responsible for daily oversight of the Bank's liquidity and submission of the Bank's consolidated liquidity reports to the ALCO for review and making decisions that are compatible with the development strategy of the Bank and the business status and market developments in different periods. The Bank adopts both of the common approaches to managing liquidity, namely Stock Approach and Flow Approach. Accordingly, the Bank monitors on a daily basis the compliance with adequate liquidity ratios and forecasts movements of cash flows which may have impact on the Bank's liquidity position in the future to ensure compliance at any time with all regulations of the SBV as well as its internal regulations.

Liquidity risk limits are established based on results of the Bank's liquidity forecast in normal and stressed market conditions. Regular liquidity stress testing is conducted under a variety of scenarios covering adverse conditions. At the same time, the Bank also issues specific regulations on a Liquidity Contingency Plan ("LCP") which clearly specifies the roles and responsibilities of each unit and individual and a coordination process for implementation when there appear signs of a possible stressed liquidity event.

The following table provides an analysis of the assets and liabilities of the Bank into relevant maturity groupings based on the remaining year from the statement of financial position date to repayment date.

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 Market risk (continued)

(c) Liquidity risk (continued)

The following table presents the analysis of remaining maturity of assets and liabilities of the Bank as at 31 December 2023:

	Overdue						Current					Total VND
	Above 3 months VND	Within 3 months VND	Up to 1 month VND	From 1 to 3 months VND	From 3 to 12 months VND	From 1 to 5 years VND	Over 5 years VND					
Assets												
Cash, gold and gemstones	-	-	779,733,563,086	-	-	-	-	-	-	-	-	779,733,563,086
Balances with the SBV	-	-	6,965,365,039,785	-	-	-	-	-	-	-	-	6,965,365,039,785
Deposits and loans to other credit institutions	-	-	27,729,615,274,869	5,628,619,067,385	422,255,137,256	109,727,000,000	-	-	-	-	-	33,900,216,479,510
Derivatives and other financial assets	-	-	17,311,519,594	(9,603,530,000)	33,765,475,781	-	-	-	-	-	-	41,473,565,365
Loans to customers and purchased debts - gross	6,125,285,503,275	1,256,420,626,938	6,073,827,845,649	7,288,776,509,249	25,588,732,126,127	30,005,727,472,095	71,419,586,132,238	147,757,366,215,571	40,331,397,720,516	23,213,432,352,669	554,565,039,650	614,111,111,111,111
Investment securities - gross	-	-	-	2,578,031,018,244	12,113,544,681,227	2,026,385,668,376	2,213,432,352,669	554,565,039,650	2,564,302,859,567	8,300,433,848,395	2,564,302,859,567	12,334,860,871,605
Fixed assets	-	-	-	-	-	-	-	-	-	-	-	-
Other assets - gross	4,800,000,000	-	359,651,374,785	356,519,658,211	749,173,130,767	8,300,433,848,395	2,564,302,859,567	2,564,302,859,567	2,564,302,859,567	2,564,302,859,567	2,564,302,859,567	12,334,860,871,605
Total assets	6,130,085,503,275	1,256,420,626,938	41,535,594,717,758	16,342,342,723,089	38,567,470,551,098	40,442,277,988,866	97,750,896,384,124	242,664,998,495,148	94,384,453,562	-	-	614,111,111,111,111
Liabilities												
Amounts due to the Government and the SBV	-	-	-	-	-	-	94,394,453,562	-	-	-	-	94,394,453,562
Deposits and borrowings from other credit institutions	-	-	28,094,796,607,720	2,528,020,779,861	316,350,574,189	98,727,234,997	125,865,127	125,865,127	125,865,127	125,865,127	125,865,127	614,111,111,111,111
Customer deposits	-	-	45,758,943,839,951	34,196,577,707,031	42,492,571,604,539	3,485,313,381,911	125,865,127	125,865,127	125,865,127	125,865,127	125,865,127	614,111,111,111,111
Other borrowed and entrusted funds	-	-	-	1,673,704,778	488,790,149,000	3,867,731,403,035	-	-	-	-	-	4,358,195,253,813
Valuable papers issued	-	-	2,021,825,000,000	3,400,000,000,000	780,000,000,000	31,606,500,000,000	-	-	-	-	-	37,808,325,000,000
Other liabilities	-	-	1,027,123,561,431	1,709,336,034,686	8,784,893,866,659	810,704,335,850	1,146,262	1,146,262	1,146,262	1,146,262	1,146,262	12,334,860,871,605
Total liabilities	-	-	76,512,659,009,162	41,837,608,212,396	52,999,200,647,949	39,968,976,355,793	127,831,389	211,578,571,256,589	127,831,389	127,831,389	127,831,389	614,111,111,111,111
Net liquidity gap	6,130,085,503,275	1,256,420,626,938	(34,977,154,291,344)	(25,595,265,489,267)	(14,051,730,096,851)	573,301,633,073	97,750,769,352,735	31,086,427,238,559	94,384,453,562	-	-	614,111,111,111,111

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

45. POLICIES FOR MANAGING RISKS OF FINANCIAL INSTRUMENTS (continued)

45.2 Market risk (continued)

(d) Other market price risks

Equity price risk is the risk that the market value of securities decreases due to changes in price of individual securities. Equity price risk derives from available-for-sale equity securities of the Bank.

Available-for-sale equity securities of the Bank bear the equity price risk resulting from the uncertainties in fluctuation of equity price in the future of these securities. The Bank manages the equity price risk by diversification and prudence in selection of investment securities within the approved limit.

As at 31 December 2023 and 31 December 2022, the impact of equity price risk of the Bank is insignificant.

46. OPERATING LEASE COMMITMENTS

	<i>Ending balance</i> <i>VND</i>	<i>Beginning balance</i> <i>VND</i>
Irrevocable commitments under operating leases		
Within 1 year	150,279,501,330	166,780,387,675
From 1 - 5 years	302,641,883,284	324,432,335,083
More than 5 years	42,119,710,155	22,024,316,668
	495,041,094,769	513,237,039,426

47. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

The following table presents the carrying amount and fair value of the Bank's financial assets and financial liabilities as at 31 December 2023.

	Book value				Fair value
	Trading VND	Loan and receivable VND	Available for sale VND	Other assets/(Liabilities) accounted for at amortized value VND	
Assets					
Cash, gold and gemstones	-	-	-	779,733,563,086	779,733,563,086
Balances with the SBV	-	-	-	6,965,365,039,785	6,965,365,039,785
Deposits and loans to other credit institutions	-	1,596,301,534,449	-	32,303,914,945,061	33,900,216,479,510
Derivatives and other financial assets	-	-	-	41,473,565,365	41,473,565,365
Loans to customers - gross	-	147,206,466,215,571	-	-	147,206,466,215,571
Purchased debts - gross	-	550,900,000,000	-	-	550,900,000,000
Available for sale securities - gross	-	-	40,331,397,720,516	-	40,331,397,720,516
Other assets - gross	-	8,477,567,490,644	-	-	8,477,567,490,644
	-	157,831,235,240,664	40,331,397,720,516	40,090,487,113,297	238,253,120,074,477
Liabilities					
Amounts due to the Government and the SBV	-	-	-	94,394,453,562	94,394,453,562
Deposits and borrowings from other credit institutions	-	-	-	31,039,865,195,767	31,039,865,195,767
Customer deposits	-	-	-	125,945,932,418,569	125,945,932,418,569
Other borrowed and entrusted funds	-	-	-	4,358,195,253,813	4,358,195,253,813
Valuable papers issued	-	-	-	37,808,325,000,000	37,808,325,000,000
Other liabilities	-	-	-	12,331,858,934,888	12,331,858,934,888
	-	-	-	211,578,571,256,589	211,578,571,256,589

(*) The Bank has not delimitated the fair value of these items because there is no guidance on fair value determination according to the Vietnamese Accounting Standards System, the Accounting System of Vietnamese Credit Institutions as well as the enough information.

NOTES TO THE CONSOLIDATE FINANCIAL STATEMENTS (Continued)

48. EVENTS AFTER THE YEAR END

There have been no significant events occurring after the consolidated statement of financial position date which require adjustments and disclosures to be made in the consolidated financial statements.

49. EXCHANGE RATES OF APPLICABLE FOREIGN CURRENCIES AGAINST VIETNAM DONG AT THE YEAR END

	31 December 2023 VND	31 December 2022 VND
USD	24,258.50	23,540.00
EUR	26,843.50	25,269.00
GBP	30,977.00	28,602.00
JPY	172.43	180.18
CAD	18,358.00	17,436.50
AUD	16,569.00	16,104.00
SGD	18,430.00	17,631.50
KRW	19.74	19.73
CNY	3,416.50	3,415.50
THB	726.00	703.00
CHF	29,240.00	25,984.00
NZD	15,812.00	15,454.00
HKD	3,156.00	3,069.00
SEK	2,391.94	2,257.74
TWD	890.59	767.78
XAU	7,350,000.00	6,630,000.00

Preparer:



Ms. Trương Ngọc Thanh
Head of Accounting
Department

Reviewer:



Mr. Nguyễn Văn Cường
Chief Financial Officer

Approver:



Mr. Nguyễn Đình Tùng
General Director



Ho Chi Minh City, Vietnam

