

VietCredit Finance Joint Stock Company

ANNUAL REPORT

2024

I. GENERAL INFORMATION

1. General information

Trading name:

VietCredit Finance Joint Stock Company

English name:

VietCredit Finance Joint Stock Company

Abbreviation: VietCredit

Logo: 

Address: 17th Floor, Mipec Tower Building, 229 Tay Son, Khuong Thuong Ward, Dong Da District, Hanoi.

Phone number: (84) 24. 6270 2127

Fax: (84) 24. 6270 2128

Website: www.vietcredit.com.vn

License to Establish and Operate:

No. 48/GP-NHNN issued by the State Bank of Vietnam on November 6, 2023 replaces the License for Establishment and Operation of a Finance Company No. 59/GP-NHNN and is valid for 50 years from May 29, 2008. License No. 48/GP-NHNN is amended by Decision No. 37/QD-TTGSNH2 issued by the State Bank of Vietnam on February 10, 2025 and Decision No. 159/QD-Cuc II.6 issued by the State Bank of Vietnam on February 13, 2025.

Business Registration Certificate: No. 0102766770 issued by the Hanoi Department of Planning and Investment on June 2, 2008 (first registration). 15th change registration on December 18, 2023.

Charter capital: 911,783,310,000 VND

In words: Nine hundred eleven billion seven hundred eighty three million three hundred ten thousand dong .

Stock code: TIN

2. Formation and development process

Year 2008	<p>VietCredit Finance Joint Stock Company, formerly Cement Finance Joint Stock Company (CFC), was established on May 29, 2008 under Decision No. 142/GP-NHNN of the State Bank of Vietnam (SBV), with initial charter capital of 300 billion VND.</p> <p>The company has 3 founding shareholders holding 61.5% of charter capital:</p> <ul style="list-style-type: none"> ❖ Vietnam Cement Industry Corporation (now Vietnam Cement Corporation); ❖ Joint Stock Commercial Bank for Foreign Trade of Vietnam ; ❖ Vietnam Steel Corporation.
Year 2009	<ul style="list-style-type: none"> ❖ Licensed by the State Bank of Vietnam to conduct foreign exchange business and officially became the 52nd member of the Vietnam Banks Association (VBNA)
2010	<ul style="list-style-type: none"> ❖ Successfully increased charter capital to VND 604,921,000,000; ❖ Permitted by the State Bank to establish a branch in Ho Chi Minh City, with the aim of expanding the market and developing new customers.

2013	❖ Moved the head office location from 28 Ba Trieu - Hoan Kiem - Hanoi to the new headquarters at 17th Floor, Mipec Tower Building, 229 Tay Son, Khuong Thuong Ward, Dong Da District, Hanoi
2015 & 2016	❖ Licensed to perform financial leasing and credit card issuance services.
2018	❖ Change the Company's name to VietCredit Finance Joint Stock Company (VietCredit) according to License No. 59/GP-NHNN issued by the State Bank on June 18, 2018; ❖ Licensed to conduct personal lending including Installment Loans and Consumer Loans; ❖ Successfully increased charter capital to VND 668,981,680,000.
2019	❖ Successfully increased charter capital to VND 687,872,140,000;
2021	❖ The company officially completed the stock registration and started trading on the UPCoM floor with 68,787,214 shares, stock code "TIN".
2022	❖ Completed the increase in charter capital through the Employee Stock Option Program (ESOP). Accordingly, the Company successfully issued 1,350,000 shares to employees. The Company's charter capital after the increase is VND 701,372,140,000.
2024	❖ Successfully increased charter capital to VND 911,783,310,000.

3. Industry and business location

3.1. Business sector

VietCredit Finance Joint Stock Company is allowed to carry out the activities of a general finance company in accordance with the provisions of law and the State Bank of Vietnam, including the following activities:

a. Capital mobilization in the forms of:

- ❖ Receive deposits from organizations;
- ❖ Issuing certificates of deposit, promissory notes, treasury bills, and bonds to raise capital for organizations;
- ❖ Borrow capital from domestic and foreign credit institutions and financial institutions in accordance with the provisions of law;
- ❖ Borrow from the State Bank of Vietnam in the form of refinancing according to the provisions of the Law on the State Bank of Vietnam.

b. Credit granting in the following forms:

- ❖ Lending, including installment loans, consumer loans; lending to credit institutions, foreign bank branches, domestic and foreign financial institutions in accordance with the provisions of law;
- ❖ Discounting, rediscounting negotiable instruments and other valuable papers;
- ❖ Bank Guarantee;
- ❖ Credit card issuance;
- ❖ Factoring;
- ❖ Financial leasing;
- ❖ Other forms of credit (after approval by the State Bank).

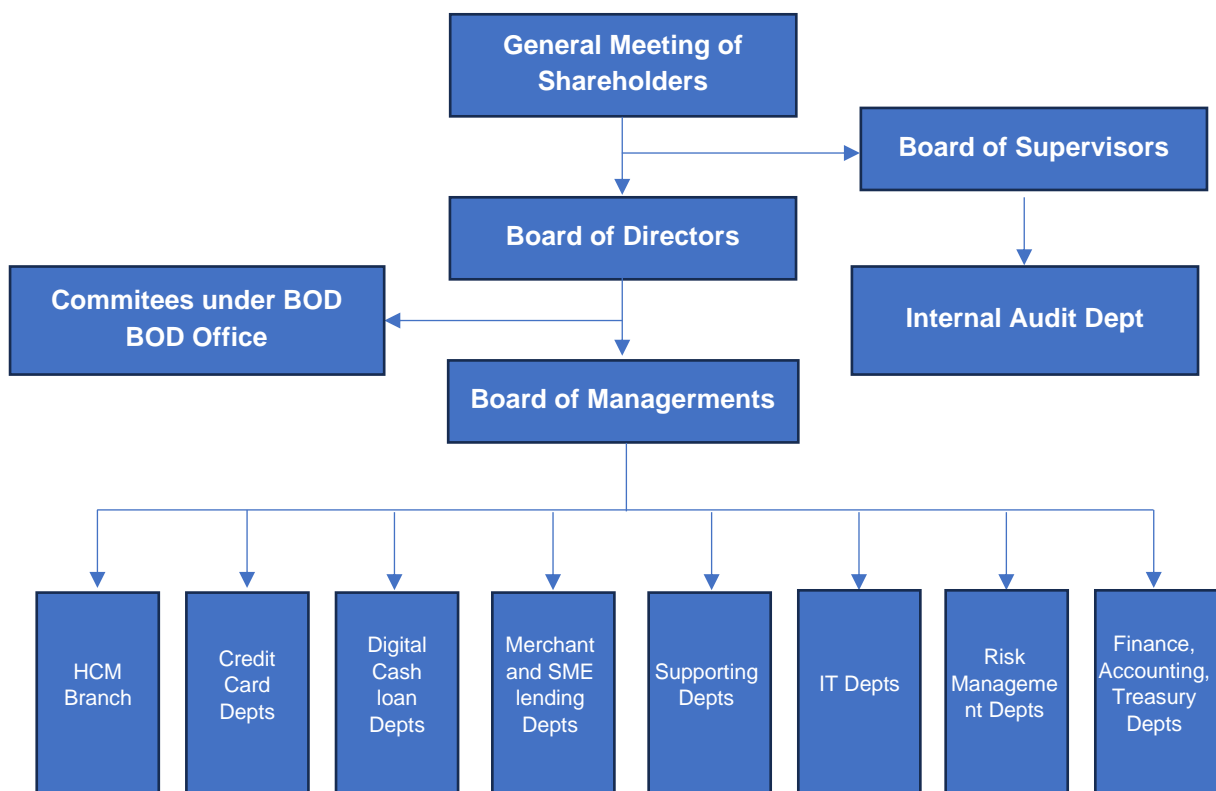
c. Other activities:

- ❖ Open a deposit account at the State Bank;
- ❖ Open a payment account at a commercial bank or foreign bank branch;
- ❖ Open an account at a foreign bank in accordance with the provisions of foreign exchange law;
- ❖ Open deposit accounts and loan management accounts for customers;
- ❖ Contribute capital and purchase shares according to regulations of the State Bank;
- ❖ Receive capital entrusted by the Government, organizations and individuals to carry out investment activities in permitted production and business projects, grant credit, and entrust capital to credit institutions to grant credit according to regulations of the State Bank;
- ❖ Participate in bidding for Treasury bills, purchase and sale of negotiable instruments, government bonds, corporate bonds, Treasury bills, State Bank bills and other valuable papers in accordance with the provisions of law;
- ❖ other valuable papers;
- ❖ Providing foreign exchange services in the domestic market within the scope prescribed by the State Bank;
- ❖ Act as an insurance agent;
- ❖ Providing consulting services in the fields of banking, finance and investment;
- ❖ Providing asset management and preservation services to Customers;
- ❖ Deposit and receive deposits from credit institutions and foreign bank branches according to the provisions of law.

3.2. Business location

The Company's head office is located on the 17th floor, Mipec Tower Building, 229 Tay Son, Khuong Thuong Ward, Dong Da District, Hanoi. As of December 31, 2024, the Company has one (01) Head Office in Hanoi and one (01) branch in Ho Chi Minh City.

4. Management model, business organization and management apparatus



5. Development orientation

- ❖ **Vision:** To become the leading financial company in digital lending with modern and advanced technology platform.
- ❖ **Mission:** To be a credit institution providing transparent and reliable financial services, always dedicated to serving and meeting practical credit needs to improve the quality of life of the community.

6. The Risks

The Company's current risk management model follows the principle of optimal balance between risk management and supporting business development, thereby contributing to helping the Company achieve its strategic goals in the process of sustainable development, ensuring:

- ❖ Close supervision by the Board of Directors (BOD) and the Board of Managements (BOM);
- ❖ Safe and sustainable company operations;
- ❖ Adapt flexibly to market fluctuations;
- ❖ Systematically develop and implement consistently throughout the Company with clearly defined risk management policies and procedures, providing specific risk assessment and measurement criteria, clearly stating the roles, tasks and responsibilities of each individual and unit participating in the risk management process;
- ❖ Review and assess risks comprehensively and holistically;

Risk Management (RM) activities strike the optimal balance between independence and business support.

According to the Company's strategic orientation, in 2024, it will focus on promoting the development of risk management activities as well as developing a high-quality human resource team to ensure the direction of building and implementing a synchronous risk management system, according to international standards and practices. especially for consumer finance activities, perfecting the system of identifying, determining, accepting risks and risk control activities in accordance with the regulations and orientations of the State Bank of Vietnam. A review of some highlights in 2024 regarding risk management is as follows:

- ❖ Facing major changes from the market and from the Company's human resource structure, the risk management framework continues to be maintained. Implement the risk management structure, clearly and transparently define the responsibilities of each level, ensuring the 3-line defense model. At the same time, re-evaluate the indicators and thresholds to suit the risk appetite, business development strategy and current legal requirements.
- ❖ Complete the system of documents clearly stating the Company's credit risk orientation and appetite.
- ❖ Develop risk management policies and standards to ensure that risks are identified, measured, minimized, and controlled throughout the system; take direct responsibility for controlling risks: credit, liquidity, and operations.
- ❖ Clearly define the principles of risk management at the Company. This principle is applied consistently throughout the system; in all business activities; supported and supervised by the Board of Directors, Board of Managements; implemented synchronously by all staff.

- ❖ Continuously upgrade and improve internal credit rating models applied to personal consumer finance activities to improve the quality of input credit as well as improve the effectiveness of credit risk management after credit granting.
- ❖ Conduct continuous monitoring, identification, measurement and control of periodic risks. Specifically, with key risk groups identified, assessed and appropriate management solutions:
 - ❖ Credit risk:
 - ✓ Apply credit risk mitigation measures from the appraisal and approval stages (with special attention to customer credit scoring) to post-loan control, debt collection and debt settlement measures to minimize risks such as using provisions to handle risks (write-off), interest exemption, restructuring, lawsuits, debt sale. Approval of credit granting regulations and approval of debt settlement measures are carried out according to approval authority. Approval authority at all levels is established for each business activity based on the transaction scale and risk limit of the Company.
 - ✓ Improve the quality of incoming credit by using self-developed and third-party internal customer scoring models. Regularly review, evaluate, and improve self-developed internal customer scoring models; and research and back-test many external models to improve the quality of customer scoring models.
 - ✓ Perform post-lending control operations such as: welcome calls to check the purpose of capital use, verify customer transaction information to detect fraud if any; develop regulations to control card transaction risks and transaction warning rules to detect and warn of fraud; develop reports to monitor outstanding debt, debt groups and early warnings to promptly make decisions to minimize risks.
 - ✓ Strengthen solutions to control and handle bad debt, closely monitor group 2 debt, prevent and minimize new bad debt, implement debt collection strategies for each period to have appropriate bad debt collection measures,
 - ✓ Assess the quality and recoverability of debts to have appropriate handling measures; make provisions and use risk reserves to handle bad debts in accordance with legal regulations. Synchronously deploy solutions to handle bad debts. At the Company, the measures applied include: urging debt collection, selling debts, handling debts, handling collateral, using risk reserves. These methods are flexibly applied based on the characteristics and reality of customers and ensure compliance with the regulations of the State Bank.
- ❖ Liquidity risk: Liquidity risk management activities are always assessed and reviewed continuously to ensure that all activities of the company comply with the regulations of the State Bank and related laws. Liquidity risk is managed to ensure the following principles: Comply with the regulations of the State Bank on the solvency ratio and liquidity of credit institutions; Establish measurement thresholds and early warnings of liquidity risks to have timely response solutions for each period; The system of related procedures, regulations and instructions is clearly and transparently built and continuously updated to ensure compliance as well as suitability with the actual operations of the Company.

- ❖ Operational risk: focus on developing and perfecting the operational risk management framework, perfecting operational guidelines to effectively manage operational risks in the company, closely accompanying units in providing solutions, implementing risk prevention and risk mitigation solutions.

Towards 2025, VietCredit identifies digital transformation as a strategic focus. VietCredit focuses on digitizing the entire operational process and improving information technology infrastructure to improve customer service quality. At the same time, it expands new products, cooperates with major partners, to provide fast and effective financial services through 100% digitization of the credit granting process of main products. Therefore, it requires risk management activities to be developed strongly and comprehensively, along with sustainable adaptation capacity as a key factor, specifically: Completing/upgrading the comprehensive risk management framework; Building risk management activities in line with the digital transformation orientation associated with comprehensive digital products (end-to-end products); Promoting the development/upgrading of modern risk measurement models to apply throughout the end-to-end credit granting process (Ascore, Bscore, Cscore).

II. PERFORMANCE IN THE YEAR

1. Production and business situation

- ❖ **Total assets** recorded **VND 8,163 billion**, up 19.2% compared to 2023, reaching 129% of the 2024 plan assigned by the General Meeting of Shareholders.
- ❖ **Total capital mobilization** reached nearly **7,017 billion VND**, an increase of 21.9% compared to 2023, reaching 135% of the 2024 plan assigned by the General Meeting of Shareholders.
- ❖ **Outstanding loans** recorded nearly **6,300 billion VND**, up 36.3% compared to 2023, reaching 122% of the 2024 plan assigned by the General Meeting of Shareholders.
- ❖ **Pre-tax profit** loss **155 billion VND**, compared to the profit of 51 billion VND according to the 2024 plan assigned by the General Meeting of Shareholders.
- ❖ **bad debt ratio (NPL)** after W/O is **5.02%** (the 2024 plan assigned by the General Meeting of Shareholders is not more than 12.9%).

2. Organization and personnel

2.1. Board of Directors and Chief Accountant.

a. List of Board of Managements and Chief Accountant as of December 31, 2024.

TT	Member	Position	Share ownership ratio
1	Mr. Ho Minh Tam	General Director and Member of Board of Directors	0.63%
2	Mr. Huynh Le Khanh	Deputy General Manager	0.014%
3	Mr. Le Huu Son	Senior Director	3.84%
4	Ms. Pham Thi Minh Van	Accountant	0%

The summary of the resumes of the members of the Board of Managements and Chief Accountant is presented in Appendix No. 01 of this Report.

b. Changes in the Board of Managements in 2024

TT	Member	Change
1	Mr. Le Phuong Hai	Retired from the position of Deputy General Director from August 1, 2024
2	Mr. Jan Pacak	Retired from the position of Deputy General Director from June 6, 2024
3	Ms. Trang Ngoc Yen Vy	Retired from the position of Chief Accountant from October 1, 2024
4	Ms. Pham Thi Minh Van	Holding the position of Chief Accountant from October 1, 2024

2.2. Other information

- ❖ Number of staff: 181 employees (as of December 31, 2024).
- ❖ Policy and changes in policy towards employees: none

3. Investment situation, project implementation situation

In the context of many difficulties and fluctuations in 2024 both globally and domestically, the Company further affirms that the goal of digital transformation is the top and consistent goal throughout the operation process to both consolidate the current business situation, comply with legal regulations as well as create a premise for future development. With this direction, the Company has implemented a number of projects such as: 1) deploying the TIN VAY digital lending product on many platforms such as Momo, Viettel Money, Zalo, Grab... 2) deploying digital credit card products in addition to physical credit cards.

4. Financial situation

Unit: million VND

Target	2023	2024	Increase/ (decrease)
I. FINANCIAL SITUATION			
1. Total assets	6,849,672	8,163,104	19%
2. Total operating income	1,428,777	1,019,527	-29%
3. Taxes and payables	5,429	-	-
4. Profit before tax	22,058	-155,668	
5. Profit after tax	16,630	-155,668	
II. KEY FINANCIAL INDICATORS			
1. Capital size			
1.1 Charter capital	701,372	911,783	30%
1.2 Total assets	6,849,672	8,163,104	19%
1.3 Capital Adequacy Ratio	13.53%	13.44%	-1%
2. Business results			
2.1 Interest and similar income	1,335,957	1,069,649	-20%
2.2 Service income	80,145	47,140	-41%
2.3 Income from other activities	536,967	369,780	-31%
2.4 Bad debt	853,393	398,709	-53%
2.5 Bad Debt	43,766	104,608	139%
2.6 Bad debt ratio/Total outstanding debt	14.62%	5.18%	-64.57%

2.7	Bad Debt Ratio/Total Outstanding Debt	0.72%	1.36%	88.94%
3.	Liquidity			
3.1	Liquidity reserve ratio	4.04%	2.80%	-31%
3.2	30-day coverage ratio			
	VND	-50.68	47.68%	-101%
	USD	100.00%	100.00%	0%

5. Shareholder structure, change in owner's equity

5.1. Share

As of December 31, 2024, VietCredit's shareholding figures are as follows:

- ❖ Total shares: 91,178,331 shares
- ❖ Type of shares: Common shares
- ❖ Number of freely transferable shares: 61,015,205 shares
- ❖ Number of restricted shares: 30,163,126 shares

5.2. Shareholder structure (as of December 31, 2024)

TT	Shareholder name	Total shareholding	Share ownership ratio	Quantity shareholder
I.	Major shareholder	10,034,732	11.01%	1
1.	Vietnam Cement Corporation	10,034,732	11.01%	1
II.	Other shareholders	81,143,599	88.99%	342
1.	Shareholders are domestic individuals	80,967,253	88.80%	318
2.	Shareholders are domestic organizations	44,636	0.05%	2
3.	Shareholders are foreign individuals	131,710	0.14%	22
4.	Shareholders are foreign organizations	0	0%	0
	Total	91,178,331	100%	343

5.3. Maximum foreign ownership ratio: 50%.

5.4. Owner's equity change situation

In 2008, VietCredit was established with an initial charter capital of VND 300,000,000,000. After 05 capital increase issuances, VietCredit's current charter capital is VND 911,783,310,000. VietCredit's capital increases are summarized in the table below:

Time	Time to complete capital increase	Increased charter capital (million dong)	Charter capital after issuance (million VND)	Release form
Time of establishment	02/062008	0	300,000	
01 time	18/06/2010	304,921	604,921	<ul style="list-style-type: none"> Issue 29,774,400 shares to existing shareholders. Issue 717,700 shares to employees.
02nd time	19/11/2018	64,060	668,981	<ul style="list-style-type: none"> Issue 6,406,068 shares to existing shareholders.
03rd time	21/05/2019	18,890	687,872	<ul style="list-style-type: none"> Issue 1,889,046 shares to existing shareholders.

Time	Time to complete capital increase	Increased charter capital (million dong)	Charter capital after issuance (million VND)	Release form
04th time	16/12/2022	13,350	701,372	• Issue 1,350,000 shares to officers and employees.
05th time	August 30, 2024	210,411	911,783	• Issued 21,041,117 shares

5.5. Treasury stock transactions: None

6. VietCredit's environmental and social impact report

6.1. Employee related policies

a. Number of employees, average salary for employees

Target	2023	2024
Total number of staff as of December 31 (people)	1,327	181
Average number of staff and workers per year (people)	1,359	646
Average income/month (million VND)	21.27	35.60

b. Labor policy to ensure the health, safety and welfare of workers

VietCredit always ensures compliance with state regulations on social insurance, health insurance and unemployment insurance. In addition, VietCredit always organizes annual health check-ups for employees.

In addition, the Company's Trade Union always promptly visits, encourages and shares with employees when they or their relatives are sick, hospitalized, or have funeral or wedding events.

c. Employee training activities

At VietCredit, we always create career development opportunities for everyone, nurture many talents and create a working environment where everyone is honored and cared for.

In addition, in order to continuously improve the capacity of its human resources, VietCredit continuously implements internal training courses at each functional unit to share skills and knowledge with employees.

In 2024, VietCredit will prioritize streamlining the apparatus, optimizing resources while ensuring quality and improving work efficiency, aiming for multitasking and flexibility.

6.2. Report on responsibility to local communities

For VietCredit, being a responsible member of the community is also an important task along with the task of business development. Over the years, VietCredit has been actively involved in this field.

In the past year, VietCredit has had many practical volunteer activities for the community during storms and floods with the spirit of love, care and sharing .

In addition, with the desire to spread the spirit of physical exercise and improve health, through teambuilding programs, running clubs, meditation, yoga...

Through participating in and supporting the above practical activities, VietCredit hopes to expand its positive influence on the community, contributing to building a sustainable development environment and improving the quality of life of Vietnamese people.

III. REPORT AND ASSESSMENT OF THE BOARD OF MANAGERMENTS

1. General situation

2024 is a year when the world economy continues to face many complex and unpredictable fluctuations. With the characteristics of a highly open economy, Vietnam is strongly affected by these fluctuations. In 2024, the Vietnamese economy has improved with recovery growth, however, some internal problems still need more time to overcome. Especially for the banking industry, developments in the real estate and corporate bond markets, along with people's concerns about high gold prices... also closely affect banking activities. This poses a great challenge for the domestic banking and financial sector.

2. Business results in 2024

- ❖ **Total assets** recorded VND **8,163 billion**, reaching 129 % of the 2024 plan and increasing 19.2 % over the same period in 2023 .
- ❖ **Total mobilized capital** recorded nearly **7,017 billion VND** corresponding to the business scale and reaching 135 % of the plan; increased 21.9 % compared to the end of 2023 .
- ❖ **Customer loans** (after W/O) by the end of 2024 recorded VND **6,300 billion**, reaching 122% of the plan; up 36.3% compared to the end of 2023.
- ❖ **Pre-tax profit loss 155 billion VND** , compared to the profit of 51 billion VND according to the 2024 plan assigned by the General Meeting of Shareholders.
- ❖ **total bad debt ratio (NPL) after W/O is 5.02% .**
- ❖ **Operating expenses** recorded **466 billion VND**, achieving 66 % of the plan, down 19% compared to the same period last year due to restructuring the operating model and cost reduction.

3. Some other outstanding activities in 2024

- ❖ **Conducting restructuring of the Company's organizational structure:** in 2024, the Board of Directors directed the restructuring of units and departments in the Company towards streamlining the organizational model and personnel, reducing costs to improve operational efficiency while still ensuring risk management in accordance with the regulations of the State Bank.
- ❖ **Establishment of Digital Lending Business Center (DLC):** With the orientation of restructuring the operating model to focus on lending through digital platforms, the Board of Directors decided to establish DLC. After 06 months of operation, outstanding digital loans recorded at VND 1,155 billion, accounting for 18.3% of total outstanding loans of the entire portfolio. With the initial results achieved, it shows that the transformation of business orientation is completely correct and the Company is following the set direction. It is expected that in 2025, digital lending activities will continue to be developed by the Company with a variety of products and are expected to achieve breakthrough results.
- ❖ **Strengthening the implementation of capital mobilization plans:** In the context of an increasingly competitive market in capital mobilization activities, the Board of Directors has actively directed to increase access to diverse capital mobilization partners, including mobilization from market 2 and from corporate customers to ensure liquidity at each time as well as ensure a stable source of long-term capital to serve business activities.

Specifically, in 2024, the Board of Directors approved the issuance of a transaction limit for market 2 with a total limit value of VND 3,600 billion, an increase of VND 800 billion compared to 2023, with total capital mobilization reaching VND 10,785 billion.

IV. ASSESSMENT OF THE BOARD OF DIRECTORS

1. Evaluation of the Company's operations

In 2024, when the economy and the banking and financial sector in general still faced many difficulties and challenges, the Company made efforts and boldly carried out a comprehensive restructuring of the company according to its operating model and development orientation focusing on lending through digital platforms. With the restructuring, the Company has initially achieved some positive results.

2. Board of Directors' assessment of the performance of the Board of Managements

The Board of Directors has been proactive, flexible and bold in directing and operating business activities. In addition, the Board of Directors has always ensured compliance with the provisions of the Law on Credit Institutions, the Company Charter and the Resolutions of the Board of Directors, while helping the Company achieve the best results.

3. Plans and directions of the Board of Directors

- ❖ **Continue to operate flexibly in accordance with market developments:** Regularly monitor closely the developments and situation of the domestic economy as well as the macro policies of the Government and the State Bank to operate proactively and flexibly; promote synchronous solutions to support business growth combined with reducing operating costs to contribute to improving the overall efficiency and sustainable development goals of the Company.
- ❖ **Capital and credit:** (i) Complete the charter capital increase plan according to the plan approved by the 2024 Extraordinary General Meeting of Shareholders in 2025; (ii) Continue to expand and diversify customer base, diversify products, and diversify capital mobilization methods, including through digital channels, to ensure readiness to closely follow the credit growth plan; (iii) Implement credit granting activities closely following the proposed growth plan, while ensuring safety, efficiency, controlling credit quality, and controlling bad debt ratio.

V. CORPORATE GOVERNANCE

1. Board of Directors

1.1. Members and structure of the Board of Directors

List of members, number of shares and share ownership ratio as of December 31, 2024 are as follows:

- ❖ Mr. Nguyen Duc Phuong, Chairman of the Board of Directors, VietCredit share ownership ratio: 3.41%;
- ❖ Mr. Ho Minh Tam, Member of the Board of Directors and General Director, VietCredit

share ownership ratio: 0.63%;

- ❖ Mr. Nguyen Duc Huynh, Member of Board of Directors, VietCredit share ownership ratio: 0%;
Position at other companies: Chief Representative of Ho Chi Minh Office - Vietnam National Payment Joint Stock Company.
- ❖ Mr. Nguyen Lan Trung Anh, Member of Board of Directors, VietCredit share ownership ratio: 0.13%.

Position at other companies:

- General Director - Phoenix Holdings Company Limited;
- Major Shareholder – Viet Capital Asset Management Joint Stock Company
- Member of Board of Directors - Gro Holdings Joint Stock Company;
- Member of Board of Directors - VietCap Securities Joint Stock Company;
- Member of Board of Directors - First Ai Holding Technology Joint Stock Company;
- Member of Board of Directors - Seven System Vietnam Joint Stock Company.
- Member of Board of Directors - Timo Vietnam Joint Stock Company.
- ❖ Mr. Luu Cong Toai, Independent Member of the Board of Directors, VietCredit share ownership ratio: 0.71%.

Position at other companies: Chief of Office of the Board of Directors of BVBank.

1.2. Committees and Councils under the Board of Directors

In 2024, the Committees and Councils under the Board of Directors fully and promptly performed their functions and tasks as prescribed in the Regulations on the organization and operation of each Committee and Council, in order to help the Board of Directors enhance operational efficiency and make decisions related to the Company's key business areas. In which:

- ❖ The Risk Management Committee advises the Board of Directors in approving appropriate policies and directions in each period related to types of risks (credit risk, liquidity risk, operational risk, etc.), including determining the Company's risk measurement ratios and appetite; developing the Risk Management Framework, processes and regulations; analyzing warnings of potential risks and then proposing solutions to minimize risks.
- ❖ The Human Resources Committee advises the Board of Directors on issues related to the structure, scale of personnel, salary, remuneration, bonus, and other welfare policies of the Company in each period, in accordance with the development strategy and business goals of the Company as well as ensuring compliance with legal regulations.

List of Committees/Councils:

TT	Committee/Council	Chairman of the Committee/Board
1	Risk Management Committee	Mr. Luu Cong Toai
2	Human Resources Committee	Mr. Nguyen Duc Phuong
3	Procurement Committee	Mr. Nguyen Duc Phuong
4	Investment Committee	Mr. Nguyen Duc Phuong
5	Fintech Investment Strategy Committee	Mr. Nguyen Duc Phuong
6	Risk Management Council	Mr. Ho Minh Tam

TT	Committee/Council	Chairman of the Committee/Board
7	Assets and Liabilities Management Board	Mr. Ho Minh Tam
8	Credit Council	Mr. Nguyen Duc Phuong
9	Debt sale council	Mr. Nguyen Duc Phuong

1.3. Activities of the Board of Directors

In 2024, the Board of Directors held 04 meetings (04 regular meetings) and 105 written votes with 109 Resolutions /Decisions to guide and direct VietCredit's operations in each period, consider and decide on tasks under the Board of Directors' authority, as well as discuss a number of other specific topics. In particular, at quarterly meetings, the Board of Directors organized an assessment of business performance and the performance of assigned tasks of each member of the Board of Directors . Some important and outstanding contents include:

- ❖ ***Carry out procedures for dismissal and election of additional members of the Board of Supervisors for the 2023-2028 term.*** In accordance with legal regulations and the Company's Charter, the Board of Directors has carried out procedures to request the State Bank of Vietnam's approval and the General Meeting of Shareholders has approved the dismissal and election of additional members of the Board of Supervisors for the 2023-2028 term;
- ❖ ***Establishment of Digital Lending Business Center (DLC):*** With the orientation of restructuring the operating model to focus on lending through digital platforms, the Board of Directors decided to establish DLC. After 06 months of operation, outstanding digital loans recorded at VND 1,155 billion, accounting for 18.3% of total outstanding loans of the entire portfolio. With the initial results achieved, it shows that the transformation of business orientation is completely correct and the Company is following the set direction. It is expected that in 2025, digital lending activities will continue to be developed by the Company with a variety of products and are expected to achieve breakthrough results.
- ❖ ***Conducting restructuring of the Company's organizational structure:*** in 2024, the Board of Directors directed the restructuring of units and departments in the Company towards streamlining the organizational model and personnel, reducing costs to improve operational efficiency while still ensuring risk management in accordance with the regulations of the State Bank.
- ❖ ***Completing the Company's restructuring plan for the period 2021-2025.*** At the request of the Government and the State Bank, the Board of Directors has directed the completion of the Restructuring Plan (CCL) for the period 2021 - 2025 with the contents of comprehensive assessment of the financial situation, operations, results achieved, shortcomings and limitations that need to be corrected and overcome up to the time of developing the CCL Plan; identifying difficulties, challenges and trends affecting the Company's operations in the coming time.
- ❖ ***Strengthening the implementation of capital mobilization plans:*** In the context of an increasingly competitive market in capital mobilization activities, the Board of Directors has actively directed to increase access to diverse capital mobilization partners, including mobilization from market 2 and from corporate customers to ensure liquidity at each time

as well as ensure a stable source of long-term capital to serve business activities. Specifically, in 2024, the Board of Directors approved the issuance of a transaction limit for market 2 with a total limit value of VND 3,600 billion, an increase of VND 800 billion compared to 2023, with total capital mobilization reaching VND 10,785 billion.

1.4. List of Board members with corporate governance training certificates

The Company has 01 member of the Board of Directors who has been granted the Certificate of Member of the Board of Directors (“DCP”) by the Vietnam Institute of Directors (“VIOD”), Mr. Nguyen Duc Huynh – Member of the Board of Directors.

2. Board of Control

2.1. Members and structure of the Board of Supervisors

The Board of Supervisors (BOS) supervises the Board of Directors and the General Director in the management and operation of the Company; is responsible to the General Meeting of Shareholders in performing assigned tasks. The structure of the Board of Supervisors as of December 31, 2024 is as follows:

TT	Full name	Position	Day appoint	Dismissal Date	Share ownership by VietCredit	
					Number of shares	Ratio
1	Mr. Tran Viet Phuong	Head of Board of Supervisors	April 23, 2018		356,000	0.39%
2	Mr. Tran Hong Giang	Member	April 23, 2018		0	0.00%
3	Mr. Ho Hong Hai	Member	April 29, 2022	April 19, 2024	0	0.00%
4	Ms. Dang Ngoc Thao Uyen	Member	April 19, 2024		2,720,603	2.98%

2.2. Activities of the Board of Supervisors

During the year, the Board of Supervisors properly performed its rights and obligations as prescribed in the Company Charter and the Regulations on the organization and operation of the Company's Board of Supervisors. Specifically as follows:

- ❖ Supervise the Company's management and operations in compliance with laws, internal regulations, Charter and resolutions and decisions of the General Meeting of Shareholders and Board of Directors;
- ❖ Review, revise and supplement the Regulations on Organization and Operation of the Board of Supervisors and the Internal Audit Policy in accordance with the Law on Credit Institutions 2024 and Circular 14/2023/TT-NHNN regulating the internal control system of non-bank credit institutions;
- ❖ Participate in meetings of the Board of Directors, Risk Management Committee, Board of Managements, monthly briefings... to grasp information on strategic orientation, business plans, financial situation, and operations of the Company in order to better monitor operations and internal audit orientation, and at the same time supervise the Board of Directors and General Director in managing and operating the Company;
- ❖ Develop, approve and implement internal audit plans; review audit results, monitor the resolution of existing problems according to audit recommendations; direct internal audit to apply “risk-oriented” audit methods right from the planning and implementation of audits to ensure resource priority for high-risk units, departments and processes;

- ❖ Review, inspect and evaluate the effectiveness and efficiency of the Company's internal control system; improve the organization of activities at the Internal Audit Department, direct the Internal Audit Department to conduct audits and issue Internal Audit reports, complete the plan set out in 2024 with 12 audits, issue 12 Internal Audit reports;
 - ❖ Conduct an audit of the Financial Statements for the fiscal year ending December 31, 2023 according to Report No. 214/2024/VietCredit-BC dated March 27, 2024; conduct a review of the 2024 Interim Financial Statements according to Report No. 595/2024/VietCredit-BC dated August 20, 2024 and conduct an Internal Audit of the Financial Statements for the year ending December 31, 2024 according to Report No. 201/2025/VietCredit-BC dated March 27, 2025. According to the assessment of the Board of Supervisors, the indicators presented in the audited financial statements are honest and reasonable;
 - ❖ Based on the results of internal audit, the Board of Supervisors and the Internal Audit Department promptly notified the Board of Directors, the General Director and the Company's Units to make timely decisions and instructions to prevent, detect and handle existing problems in operations; contribute to improving operational efficiency; enhance the capacity of the internal control system; perfect the internal regulations system, improve processes, products, and risk management in business operations;
 - ❖ Monitor compliance with legal regulations on restrictions to ensure safety in the Company's operations;
 - ❖ Monitor, review and update changes in the list of founding shareholders, shareholders owning 1% or more of charter capital and related persons of members of the Board of Directors, members of the Board of Supervisors, General Director of the Company, shareholders owning 1% or more of charter capital;
- Conduct recruitment and appointment for positions in the Internal Audit Department;
- ❖ Perform other supervisory functions as prescribed.

3. Transactions, remuneration and benefits of the Board of Directors, Board of Managements and Board of Supervisors

3.1. Salary, bonus, remuneration, other benefits

TT	Member	2024 <i>(million dong)</i>
1	Board of Directors	2,694
2	Board of Control	2,349
3	Board of Directors	9,576
	Total	14,620

3.2. Insider Stock Transactions in 2024:

In 2024, Board of Directors member - Mr. Nguyen Lan Trung Anh purchased 27,000 shares according to the plan to offer shares to existing shareholders of VietCredit. Mr. Nguyen Lan Trung Anh's transaction was announced with registration information and transaction results reported in accordance with regulations.

3.3. Contracts or transactions with insiders: None

3.4. Assessment of implementation of corporate governance regulations: Compliance with legal regulations.

VI. FINANCIAL REPORT**1. Audit opinion**

KPMG Vietnam Company Limited confirmed the opinion on the Financial Statements for the fiscal year ended December 31, 2024 as follows: "In our opinion, the financial statements give a true and fair view, in all material respects, the financial position of VietCredit Finance Joint Stock Company as at 31 December 2024, and of its results of operations and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System issued by the State Bank of Vietnam and the relevant statutory requirements applicable to the financial reporting".

2. Audited financial statements

The audited report of the Financial Statements for the fiscal year ending December 31, 2024 of VietCredit Finance Joint Stock Company has been published on the Company's website - Investor Section.

Best regards!

Recipient:

- State Securities Commission;
- Board of Directors, Board of Supervisors,
Board of Managements;
- BOD.

CEO**Ho Minh Tam**

APPENDIX NO. 01

Summary of the Board of Managements members and the Accountant

1	Grandfather:	Ho Minh Tam
	Position:	General Director and Member of Board of Directors
	Date of birth:	04/08/1978
	Place of birth:	Ho Chi Minh City
	Nationality:	Vietnam
	Nation	Terrible
	Education:	❖ 2004: Graduated from Nagoya Public University, majoring in Economics. ❖ 2007: Graduated from Meijo Nagoya University, majoring in Business Administration.
	Work process:	
	2007 – 2010:	❖ Specialist of Foreign Investment Strategy Department ACOM Consumer Finance Company - Tokyo Mitsubishi UFJ Financial Group, Tokyo – Japan
	2010 – 2012:	❖ Director of Card Center Saigon Thuong Tin Commercial Joint Stock Bank – Sacombank
	2012 – 2014:	❖ Director of Card Center Techcombank
	2014 – 2017:	❖ Deputy General Manager BanViet Commercial Joint Stock Bank – BanVietBank
	2017 – 2018:	❖ General Director Cement Joint Stock Finance Company
	2018 – present:	❖ General Director VietCredit Finance Joint Stock Company (formerly Cement Finance Joint Stock Company)

2	Grandfather:	Le Huu Son
	Position:	Senior Director
	Date of birth:	April 2, 1977
	Place of birth:	Nghe An
	Nationality:	Vietnam
	Nation	Terrible
	Education:	❖ 2000: Bachelor of Science in Applied Mathematics and Information Technology
	Work process:	
	2003 – 2025:	❖ Manager Bach Minh Joint Stock Company
	2016 – 2025:	❖ Manager Vega Media Joint Stock Company
	2017 – 2020:	❖ Manager Vega Fintech Investment Joint Stock Company
	2020 – 2025:	❖ General Director Amber Fintech Joint Stock Company
	2023 – 2025:	❖ Chairman of the Board of Directors Waka E-Book Joint Stock Company
	2024 – present:	❖ Senior Director VietCredit Finance Joint Stock Company (formerly Cement Finance Joint Stock Company)

3	Grandfather:	Huynh Le Khanh
	Position:	Deputy General Manager
	Date of birth:	June 2, 1975
	Place of birth:	Hanoi
	Nationality:	Vietnam
	Nation	Terrible
	Education:	<ul style="list-style-type: none"> ❖ 1998: Graduated as an Engineer majoring in Dynamic Mechanics at Ho Chi Minh City University of Technical Education ❖ 2004: Graduated with a Master's degree in Mechanical Engineering from Shizuoka University (Japan) ❖ 2019: Graduated with a Master's degree in Business Administration from FPT University
	Work process:	
	2006 – 2007:	❖ Factory Management Nissei Electric Hanoi Co., Ltd.
	2007 – 2017:	❖ Human Resources Director Nissei Electric Hanoi Co., Ltd.
	2017 – 2018:	❖ Director of Support Division Cement Joint Stock Finance Company
	2018 – 2020:	❖ Director of Support Division VietCredit Finance Joint Stock Company (formerly Cement Finance Joint Stock Company)
	2020 – present:	❖ Deputy General Manager VietCredit Finance Joint Stock Company (formerly Cement Finance Joint Stock Company)

4	Grandma:	Pham Thi Minh Van
	Position:	Chief Accountant
	Date of birth:	November 20, 1983
	Place of birth:	Hue
	Nationality:	Vietnam
	Nation	Terrible
	Education:	<ul style="list-style-type: none"> ❖ 2006: Graduated with a Bachelor's degree in Accounting - Auditing from Ho Chi Minh City University of Economics ❖ 2013: Graduated with Master's degree in Finance - Banking ❖ 2020: Obtained Chief Accountant certificate
	Work process:	
	2006 - 2007	❖ Accountant Phuong Dong Garment Joint Stock Company
	2007 – 2018	❖ Accountant Saigon Joint Stock Commercial Bank for Industry and Trade
	2008 - 2011	❖ Control - Accounting Department Shinhan Vina Joint Venture Bank - Binh Duong Branch
	2011 - 2012	❖ Control - Accounting Department Shinhan Bank Vietnam Limited - Song Than Branch
	2012 - 2019	❖ Manager - Finance Department UOB Bank Vietnam Limited
	2019 - 2020	❖ Chief Accountant Daegu Bank - Ho Chi Minh City Branch
	2020 - 2020	❖ Head of Finance and Accounting Department

		Kasikorn Bank – Ho Chi Minh City Branch
	2021 - 2022	❖ Head of Finance Hong Leong Bank Vietnam Limited
	2022 - 2024	❖ Director of Accounting Department Shinhan Vietnam Finance Company Limited
	2024 - 2025	❖ Chief Accountant VietCredit Finance Joint Stock Company