



VietCredit Finance Joint Stock Company

Financial Statements for the year ended
31 December 2022



VietCredit Finance Joint Stock Company Corporate Information

**Establishment and
Operation License No.** 59/GP-NHNN 18 June 2018

The finance company Establishment and Operation License No. 59/GP-NHNN was granted by the State Bank of Vietnam to replace the finance company Establishment and Operation License No. 142/GP-NHNN and is valid for 50 years from 29 May 2008.

**Enterprise Registration
Certificate No.** 0102766770 2 June 2008

The Enterprise Registration Certificate was issued by the Hanoi Planning and Investment Department.

The Enterprise Registration Certificate was amended several times and the most recent of which is for the thirteenth time on 16 January 2023.

Board of Directors

Mr. Nguyen Duc Phuong	Chairman
Mr. Ho Minh Tam	Member
Mr. Nguyen Chi Hieu	Member
Mr. Pham Hai Au	Member
Mr. Nguyen Duc Huynh	Member
Mr. Nguyen Quang Tuan	Member (until 12/10/2022)
Mr. Nguyen Lan Trung Anh	Independent Member

Supervisory Board

Mr. Tran Viet Phuong	Head of Supervisory Board
Mr. Tran Hong Giang	Member
Mr. Ho Hong Hai	Member (from 29/4/2022)
Ms. Pham Le Lac Thu	Member (until 29/4/2022)

**Board of Management
and Chief Accountant**

Mr. Ho Minh Tam	Chief Executive Officer
Ms. Vu Thuc Quyen	Deputy Chief Executive Officer
Mr. Le Phuong Hai	Deputy Chief Executive Officer
Mr. Huynh Le Khanh	Deputy Chief Executive Officer
Mr. Jan Pacák	Deputy Chief Executive Officer (from 11/7/2022)
Ms. Tran Thi Van Anh	Chief Accountant

Legal representative Mr. Ho Minh Tam Chief Executive Officer

Registered Office Level 17, Mipec Tower
No. 229 Tay Son, Nga Tu So Ward, Dong Da District
Hanoi, Vietnam

Auditor KPMG Limited
Vietnam

VietCredit Finance Joint Stock Company Statement of the Board of Management

The Board of Management of VietCredit Finance Joint Stock Company (“the Company”) presents this statement and the accompanying financial statements of the Company for the year ended 31 December 2022.

The Company’s Board of Management is responsible for the preparation and fair presentation of the financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

In the opinion of the Company’s Board of Management:

- (a) the financial statements set out on pages 5 to 71 give a true and fair view of the financial position of the Company as at 31 December 2022, and of the results of operations and the cash flows of the Company for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons to believe that the Company will not be able to pay its debts as and when they fall due.

The Company’s Board of Management has, on the date of this statement, authorised the accompanying financial statements for issue.

On behalf of the Board of Management, 



Ho Minh Tam
Chief Executive Officer

Hanoi, 30 March 2023



KPMG Limited
46th Floor, Keangnam Landmark 72
E6 Pham Hung Street, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
+84 (24) 3946 1600 | kpmg.com.vn

INDEPENDENT AUDITOR'S REPORT

To the Shareholders VietCredit Finance Joint Stock Company

We have audited the accompanying financial statements of VietCredit Finance Joint Stock Company ("the Company"), which comprise the statement of financial position as at 31 December 2022, the statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Company's Board of Management on 30 March 2023, as set out on pages 5 to 71.

Management's Responsibility

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

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 financial statements are free of material misstatement.

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

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



Auditor's Opinion

In our opinion, the financial statements give a true and fair view, in all material respects, of the financial position of VietCredit Finance Joint Stock Company as at 31 December 2022 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 for Credit Institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit report No. 20-02-00124-23-4



Dam Xuan Lam
Practicing Auditor Registration
Certificate No. 0861-2023-007-1
Deputy General Director
Hanoi, 30 March 2023

Le Nhat Vuong
Practicing Auditor Registration
Certificate No. 3849-2022-007-1

20
Y
00H
3
I.P.

70
Y
NH
N
ET
HA

	Note	31/12/2022 VND	31/12/2021 VND
A ASSETS			
II Balances with the State Bank of Vietnam (“SBV”)	4	300,818,393	252,417,115
III Deposits with and loans to other credit institutions (“CIs”)		1,064,998,721,471	350,885,504,812
1 Deposits with other CIs	5	1,064,998,721,471	350,885,504,812
IV Trading securities		-	535,666,200,550
1 Trading securities		-	539,088,744,600
2 Allowance for trading securities		-	(3,422,544,050)
VI Loans to customers		4,138,210,359,383	3,315,947,565,271
1 Loans to customers	6	4,418,438,448,310	3,548,202,405,999
2 Allowance for loans to customers	7	(280,228,088,927)	(232,254,840,728)
VIII Investment securities	8	575,578,387,899	1,248,344,229,058
1 Available-for-sale securities		360,000,000,000	1,009,000,000,000
2 Held-to-maturity securities		262,200,000,000	281,201,720,930
3 Allowance for investment securities		(46,621,612,101)	(41,857,491,872)
IX Long-term investments	9	3,479,736,100	12,359,062,700
4 Other long-term investments		14,509,062,700	14,509,062,700
5 Allowance for diminution in the value of long-term investments		(11,029,326,600)	(2,150,000,000)
X Fixed assets		51,680,152,157	45,892,840,975
1 Tangible fixed assets	10	15,976,904,299	15,125,062,092
<i>a Cost</i>		38,501,234,322	32,888,561,548
<i>b Accumulated depreciation</i>		(22,524,330,023)	(17,763,499,456)
3 Intangible fixed assets	11	35,703,247,858	30,767,778,883
<i>a Cost</i>		75,567,398,615	60,272,912,115
<i>b Accumulated amortisation</i>		(39,864,150,757)	(29,505,133,232)
XII Other assets	12	701,004,431,486	700,195,985,123
1 Receivables		48,933,488,512	53,485,116,539
2 Accrued interest and fee receivables		131,703,391,191	165,355,392,014
4 Other assets		523,398,253,168	483,512,414,398
5 Allowance for other on-balance sheet assets		(3,030,701,385)	(2,156,937,828)
TOTAL ASSETS		6,535,252,606,889	6,209,543,805,604

The accompanying notes are an integral part of these financial statements



	Note	31/12/2022 VND	31/12/2021 VND (Reclassified)
B			
LIABILITIES AND SHAREHOLDERS' EQUITY			
LIABILITIES			
I	13	1,274,000,000,000	1,110,000,000,000
1		739,000,000,000	830,000,000,000
2		535,000,000,000	280,000,000,000
II	14	421,117,939,248	164,830,780,894
VI	15	3,693,200,000,000	3,871,400,000,000
VII	16	288,627,598,154	278,879,822,990
1		201,123,095,715	153,013,166,059
3		87,504,502,439	125,866,656,931
TOTAL LIABILITIES		5,676,945,537,402	5,425,110,603,884
SHAREHOLDERS' EQUITY			
VI	18	858,307,069,487	784,433,201,720
1		701,372,140,000	687,872,140,000
a		701,372,140,000	687,872,140,000
2		44,003,635,103	38,469,185,785
5		112,931,294,384	58,091,875,935
TOTAL SHAREHOLDERS' EQUITY		858,307,069,487	784,433,201,720
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		6,535,252,606,889	6,209,543,805,604

The accompanying notes are an integral part of these financial statements

	Note	31/12/2022 VND	31/12/2021 VND
OFF-BALANCE SHEET ITEMS			
3	Non-cancellable loan commitments	2,935,956,970,704	1,977,327,326,029
5	Other guarantees	43,419,000,000	43,419,000,000
6	Other commitments	-	367,555,810,000
7	Uncollected loan interest and fees	250,490,810,688	273,763,925,572
8	Written-off bad debts	1,087,144,649,468	1,562,752,153,466
9	Other assets and documents in custody	646,623,720,930	676,623,720,930

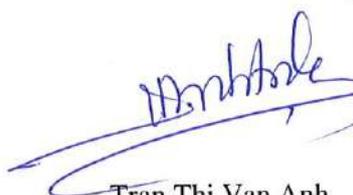
30 March 2023

Prepared by:



Tran Quang Trung
Accountant

Approved by:




Tran Thi Van Anh
Chief Accountant

Ho Minh Tam
Chief Executive Officer

	Note	2022 VND	2021 VND
1 Interest and similar income	19	1,685,962,405,705	1,534,667,429,910
2 Interest and similar expenses	20	(370,927,368,792)	(332,859,298,406)
I Net interest income		1,315,035,036,913	1,201,808,131,504
3 Fee and commission income		44,041,396,293	38,182,929,646
4 Fee and commission expenses		(59,407,894,484)	(63,229,177,167)
II Net fee and commission expenses	21	(15,366,498,191)	(25,046,247,521)
III Net (loss)/gain from trading of foreign currencies	22	(2,134,461,393)	685,021,557
IV Net gain/(loss) from securities held-for-trading	23	5,471,773,612	(2,517,848,017)
V Net loss from investment securities	24	(2,451,551,803)	(9,015,481,848)
5 Other income		156,440,629,586	27,221,663,805
6 Other expenses		(37,112,040,204)	(25,982,291,742)
VI Net profit from other activities	25	119,328,589,382	1,239,372,063
VIII Operating expenses	26	(631,954,340,611)	(484,056,768,442)
IX Operating profit before allowance and provision expenses		787,928,547,909	683,096,179,296
X Allowance and provision expenses	27	(712,363,903,754)	(633,335,990,439)
XI Profit before tax		75,564,644,155	49,760,188,857
7 Income tax expense - current	28	(12,190,776,388)	(12,863,860,072)
XII Total income tax expense		(12,190,776,388)	(12,863,860,072)
XIII Profit after tax		63,373,867,767	36,896,328,785
XV Basic earnings per share (VND)	29	877	435

30 March 2023

Prepared by:



Tran Quang Trung
Accountant

Approved by:




Tran Thi Van Anh
Chief Accountant

Ho Minh Tam
Chief Executive Officer

The accompanying notes are an integral part of these financial statements

	2022 VND	2021 VND (Reclassified)
CASH FLOWS FROM OPERATING ACTIVITIES		
01 Interest and similar income received	1,719,614,406,528	1,526,726,350,913
02 Interest and similar expenses paid	(322,817,439,136)	(306,511,370,794)
03 Net receipts/payments for fee and commission income/expenses	(15,366,498,191)	(25,046,247,521)
04 Net receipts/payments for foreign currencies and securities trading	(6,091,783,634)	(5,370,764,258)
05 Other income/(expenses) received/(paid)	47,371,754,891	(10,674,662,794)
06 Proceeds from loans previously written off	71,636,834,491	21,963,482,995
07 Payments for operating and salary expenses	(606,462,871,920)	(497,429,472,610)
08 Income tax paid during the year	(13,420,038,371)	(15,213,102,012)
Net cash flows from operating activities before changes in operating assets and liabilities	874,464,364,658	688,444,213,919
Changes in operating assets	(353,337,279,140)	(1,677,066,278,920)
09 Decrease/(increase) in securities held-for-trading	1,207,090,465,530	(622,858,111,309)
11 Increase in loans to customers	(870,236,042,311)	(523,464,873,484)
12 Utilisation of allowance for impairment of assets	(656,086,753,599)	(494,537,519,874)
13 Increase in other assets	(34,104,948,760)	(36,205,774,253)
Changes in liabilities	201,452,186,619	1,012,853,480,781
14 Increase/(decrease) in deposits and borrowings from other Cis	164,000,000,000	(257,937,213,750)
15 Increase in deposits from customers	256,287,158,354	25,665,330,364
16 (Decrease)/increase in valuable papers issued	(178,200,000,000)	1,235,400,000,000
18 (Decrease)/increase in other liabilities	(39,724,908,035)	13,629,649,867
19 Utilisations of reserves	(910,063,700)	(3,904,285,700)
I Net cash flows from operating activities	722,579,272,137	24,231,415,780

The accompanying notes are an integral part of these financial statements

	2022 VND	2021 VND
CASH FLOWS FROM INVESTING ACTIVITIES		
01 Payments for purchases of fixed assets	(22,237,654,200)	(14,492,193,801)
02 Proceeds from disposals of fixed assets	320,000,000	-
II Net cash flows from investing activities	(21,917,654,200)	(14,492,193,801)
CASH FLOWS FROM FINANCING ACTIVITIES		
01 Proceeds from issuing shares	13,500,000,000	-
III Net cash flows from financing activities	13,500,000,000	-
IV Net cash flows during the year	714,161,617,937	9,739,221,979
V Cash and cash equivalents at the beginning of the year	351,137,921,927	341,398,699,948
VII Cash and cash equivalents at the end of the year (Note 30)	1,065,299,539,864	351,137,921,927

30 March 2023

Prepared by:


 Tran Quang Trung
 Accountant

Approved by:


 Tran Thi Van Anh
 Chief Accountant


 Ho Minh Tam
 Chief Executive Officer



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

1. Reporting entity

(a) Establishment and operation

VietCredit Finance Joint Stock Company (“the Company”) the English transaction name of which is VietCredit Finance Company, is incorporated as a joint stock company in Vietnam. The Company was established in the original name of Cement Finance Joint Stock Company under Finance company Establishment and Operation License No. 142/GP-NHNN dated 29 May 2008 issued by the State Bank of Vietnam (“SBV”) (“License 142”) with the duration of 50 years from 29 May 2008. The Company officially commenced business operation on 5 September 2008.

The Company changed its name to VietCredit Finance Joint Stock Company under Finance Company Establishment and Operation License No. 59/GP-NHNN dated 18 June 2018 issued by the State Bank of Vietnam (“License 59”). License 59 superseded License 142 and came into effect from 18 June 2018. The operation duration of VietCredit Finance Joint Stock Company is 50 years from 29 May 2008.

The principal activities of the Company under Establishment and Operation License are mobilising and receiving deposit funds with the term of more than one year from organisations; granting short-, medium- and long-term loans, consumption loans and finance leases to organizations and individuals based on the nature and capability of the Company’s sources of capital; conducting financial services, foreign currency trading, treasury services and other cash services as approved by the SBV.

(b) Charter capital

As at 31 December 2022, the Company’s charter capital is VND701,372,140,000 (31/12/2021: VND687,872,140,000).

(c) Address and operation network

The Company’s head office is located at Level 17, Mipec Tower, No. 229 Tay Son Street, Nga Tu So Ward, Dong Da District, Hanoi. As at 31 December 2022 and 31 December 2021, the Company had one (1) Head Office in Hanoi and one (1) branch in Ho Chi Minh City.

(d) Number of employees

As at 31 December 2022, the Company has 1,736 employees (31/12/2021: 1,982 employees).

2. Basis of preparation

(a) Statement of compliance

The financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit Institutions issued by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting. These standards and statutory requirements may differ, in some material respects, from International Financial Reporting Standards and generally accepted accounting principles and standards of other countries. Accordingly, the accompanying financial statements are not intended to present the financial position and results of operations and cash flows of the Company in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices applicable to credit institutions.

(b) Basis of measurement

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

(c) Annual accounting period

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

(d) Accounting currency

The accounting currency of the Company is Vietnam Dong ("VND"), which is also the currency used for financial statement presentation purpose.

3. Summary of significant accounting policies

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

(a) Foreign currency transactions

Transactions in currencies other than VND during the year have been translated into VND at rates approximating actual rates of exchange ruling at the transaction dates.

Monetary assets and liabilities denominated in currencies other than VND are translated into VND at account transfer buying rate and selling rate at the end of the annual accounting period quoted by the commercial bank where the Company most frequently conducts transactions.

All foreign exchange differences are recorded in the statement of income.

(b) Cash and cash equivalents

Cash and cash equivalents include cash on hand, non-term deposits, deposits with original terms to maturity not exceeding three months, short-term investments with recovery or maturity not exceeding three months from the acquisition date, are readily convertible to known amounts of cash, are subject to an insignificant risk of changes in value, and are held for the purpose of meeting short-term cash commitments rather than for investment or other purposes.

(c) Deposits with and loans to other credit institutions

Deposits with other CIs, including current deposits and term deposits at other CIs have original terms of not exceeding three months.

Loans to other CIs are loans with original terms to maturity of not more than twelve months.

Deposits with other CIs, except current deposits, and loans to other CIs are stated at the amount of the outstanding principal less specific allowance for credit loss. Current deposits with other CIs are stated at cost.

Credit risk classification of term deposits with and loans to other CIs and allowance thereof is made in accordance with Circular No. 11/2021/TT-NHNN dated 30 July 2021 (“Circular 11”) of the State Bank of Vietnam on classification of assets, level and method of allowance making, and use of allowance against credit risks in banking activities of credit institutions and foreign bank branches. Accordingly, the Company has made specific allowance for term deposits with and loans to other CIs in accordance with the policy as described in Note 3(g).

According to Circular 11, the Company is not required to make general allowance for deposits with and loans to other CIs.

(d) Investment securities

(i) Classification

Investment securities comprise held-to-maturity investment securities and available-for-sale investment securities. The Company classifies investment securities at the purchase date. In accordance with Official Letter No. 2601/NHNN-TCKT issued by the SBV on 14 April 2009, the Company is allowed to reclassify investment securities once after initial classification at the purchase date.

Available-for-sale investment securities:

Available-for-sale investment securities are debt securities or equity securities held for an indefinite period and may be sold at any time.

Held-to-maturity investment securities:

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

(ii) Recognition

The Company recognises investment securities on the date that it becomes a party under contractual terms with respect to these securities (trade date accounting).

(iii) Measurement

Equity securities

Available-for-sale equity securities are initially recorded at cost including purchase cost plus other directly attributable costs such as brokerage fees, transaction fees, information fees and bank charges (if any). They are subsequently measured at the lower of book value and the market price with the allowance expenses recognised in the statement of income.

For listed securities, the market price is the closing bid price at the latest trading date prior to the end of the annual accounting period. If the listed securities are not traded in 30 days before making allowances or the listed securities are cancelled or suspended from trading on the date of making allowances, allowances for investments in equity securities are determined in accordance with the accounting policies applicable to other long-term investments as specified in Note 3(e).

For unlisted securities which have been registered for trading in the market of unlisted public companies (“UPCOM”), the market price is the average price within the last 30 transaction days prior to the end of the annual accounting period. If the listed securities of a joint-stock company in the UPCOM are not traded in 30 days prior to the end of the annual accounting period, allowances for equity securities are determined in accordance with the accounting policies applicable to other long-term investments as specified in 3(e).

As for unlisted, unregistered equity securities, allowances for equity securities are determined in accordance with the accounting policies applicable to other long-term investments as specified in 3(e).

Debt securities

Available-for-sale debt securities and held-to-maturity debt securities are initially recorded at cost, including purchase cost plus transaction costs and other directly attributable costs. They are subsequently recognised at amortised cost (affected by premium/discount amortisation) less allowance for securities risks (including allowance for credit risks and allowance for devaluation of investment securities). Premium and discounts arising from purchases of debt securities are amortised to the statement of income on a straight-line basis over the period from the acquisition date to the maturity date of such securities.

Listed available-for-sale debt securities are measured at amortised cost less allowance for diminution in value which is determined by reference to latest trading price at the Stock Exchange within 10 days to the end of the annual accounting period. If there is no transaction within 10 days to the end of the annual accounting period, the Company will not make allowance for these securities.

Available-for-sale debt securities and held-to-maturity debt securities of unlisted enterprises are recognised at cost less allowance for credit risks according to Circular 11 as described in Note 3(g).

Other investment securities are stated at cost less allowance for diminution in value of securities. Allowance is made when there are indicators of impairment over a long time or there are evidences that it is hard for the Company to fully recover the investment. Allowance is not made for short-term changes in the price. In cases where market value of securities is not available or cannot be determined reliably, such securities are stated at cost.

Post-acquisition interest income of available-for-sale debt securities and held-to maturity debt securities is recognised in the statement of income on an accrual basis. The accumulated interest income before the acquisition date is recognised as a decrease in cost upon received.

The allowance for diminution in value of investment securities mentioned above is reversed if their price or their recoverable value subsequently increases after the allowance was recognised. An allowance is reversed only to the extent that the securities’ carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

(iv) **De-recognition**

The Company derecognises investment securities when the contractual rights to the cash flows from these securities have expired or when the significant risks and rewards of ownership of these securities have been transferred.

(v) **Special bonds issued by Vietnam Asset Management Company (“VAMC”)**

Special bonds issued by VAMC are term valuable papers issued by VAMC for purchasing bad debts of the Company.

The Company accounts for debt factoring transactions using special bonds in accordance with Official Letter No. 8499/NHNN-TCKT dated 14 November 2013 (“Official Letter 8499”) and Official Letter No. 925/NHNN-TCKT dated 19 February 2014 (“Official Letter 925”) of the State Bank of Vietnam. The special bonds are classified into held-to-maturity investment securities and are recorded at par value at transaction date and subsequently stated at par value less allowance.

For each bad debt sold to VAMC, the Company received one special bond issued by VAMC. Par value of special bonds equals to carrying amount of loan principal balance of the bad debt less specific allowance made but not yet utilized for such bad debt.

Upon completion of bad debt factoring transactions, the Company decreases the carrying amount of the bad debts, uses the specific allowance made but not yet utilised and settle the account balance of off-balance sheet account monitoring uncollected interest income of such bad debt. At the same time, the Company recognises special bonds issued by VAMC in the account of debt securities issued by local economic entities and held to maturity.

For special bonds issued by VAMC, specific allowance is calculated and provided in accordance with Circular No. 19/2013/TT-NHNN dated 6 September 2013, on the purchase, sale and settlement of bad debts of Vietnam Asset Management Company (“Circular 19”) and Circular No. 14/2015/TT-NHNN dated 28 August 2015 of SBV, Circular No. 08/2016/TT-NHNN dated 16 June 2016 of SBV and Circular No. 09/2017/TT-NHNN dated 14 August 2017 of SBV, regarding the amendments of and supplements to a number of articles of Circular 19. Accordingly, the minimum specific allowance required to be provided each year during the term of special bonds is the positive difference between the 20% of par value of the special bonds less the debt collecting amount of the relevant bad debts during the year. On a monthly basis within 05 working days prior to the maturity date of special bonds, the Company shall make specific allowance and is not required to make general allowance for the special bonds. The Company shall make this allowance on a quarterly basis. Allowance for special bonds is recorded in the consolidated statement of income.

The Company is not required to provide general allowance for the special bonds.

(e) **Long-term investments**

Other long-term investments

Other long-term investments are investments in the equity of other companies without having control or significant influence. These long-term investments are initially recognised at cost at the date of acquisition, and subsequently stated at cost less allowance for diminution in the value of investments.

Allowance for diminution in value of long-term investments is made if the economic entity has suffered a loss which may cause the Company to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. Allowance for diminution in value is determined as the total actual investment capital of the owner at the investee less (-) the owner's equity of the investee multiplied (x) by the Company's ownership percentage in the investee at the end of the annual accounting period. The allowance is reversed if the recoverable amounts are subsequently increased after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

(f) Loans and advances to customers

Loans and advances to customers are stated at the amount of principal less allowance for loans to customers, including specific allowance for loans and general allowance for loans.

Short-term loans are those with term up to one year from the loan disbursement date; medium-term loans are those with term over one year to five years from the loan disbursement date and long-term loans are those with term of more than five years from the loan disbursement date. For the loans sold to VAMC, the Company shall remove them from the statement of financial position in accordance with the guidance in the Official Letter 8499 and Official Letter 925.

The Company derecognises loans to customers when the contractual rights to the cash flows from the loans expire, or it transfers the loans in a transaction in which substantially all of the risks and rewards of ownership of the loans are transferred to other parties.

Debt classification and allowance for loans to customers are made in accordance with Circular 11 as described in Note 3(g).

(g) Debt classification and the allowance rate and method of making allowance for credit risks

(i) Debt classification

Classification of term deposits with and loans to other credit institutions, unlisted corporate bonds, loans to customers, entrusted extension of credit (collectively referred to as "debts") is implemented in accordance with Circular 11. Accordingly, the Company implements monthly debt classification based on loan principals balance at the last day of the month.

The Company implements debt classification using the quantitative method as follows:

<i>Debt group</i>		<i>Overdue status</i>
1	Current	(a) Current debts being assessed as fully and timely recoverable, both principal and interest; or (b) Debts being overdue for less than 10 days and being assessed as fully recoverable, both overdue principal and interest, and fully and timely recoverable, both remaining principal and interest.
2	Special mentioned	(a) Debts being overdue between 10 days and 90 days; or (b) Debts having terms of repayment rescheduled for the first time.
3	Sub-standard	(a) Debts being overdue between 91 days and 180 days; or (b) Debts having terms of repayment extended for the first time which is undue; or (c) Debts having interest exempt or reduced because customers are not able to pay the interest according to the credit contract; or (d) Debts falling in one of the following cases not yet collected within 30 days since the issuance date of recovery decision: <ul style="list-style-type: none"> ▪ Debts having violated regulations specified in Points 1, 3, 4, 5, 6 of Article 126 of Laws on Credit Institutions; or ▪ Debts having violated regulations specified in Points 1, 2, 3, 4 of Article 127 of Laws on Credit Institutions; or ▪ Debts having violated regulations specified in Points 1, 2, 5 of Article 128 of Laws on Credit Institutions. (e) Debts in the collection process under inspection conclusions; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period of less than 30 days from the date of the collection decision.
4	Doubtful	(a) Debts being overdue between 181 days and 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue less than 90 days according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time which is undue; or (d) Debts specified in point (d) of Sub-standard debts not yet collected between 30 days and 60 days since the issuance date of recovery decision; or (e) Debts in the collection process under inspection conclusions but being overdue up to 60 days according to recovery term; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period between 30 to 60 days from the date of the collection decision.

<i>Debt group</i>		<i>Overdue status</i>
5	Loss	(a) Debts being overdue more than 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue from 90 days and more according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time and being overdue according to the second reschedule terms of repayment; or (d) Debts having terms of repayment rescheduled for the third time or more, regardless of whether the debts are overdue or not; or (e) Debts specified in point (d) of Sub-standard debts not yet collected over 60 days since the issuance date of recovery decision; or (f) Debts in the collection process under inspection conclusions but being overdue of more than 60 days according to recovery term; or (g) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected for more than 60 days from the date of the collection decision; or (h) Debts to credit institutions being announced under special supervision status by the SBV, or to foreign bank branches of which capital and assets are blockaded.

For off-balance sheet commitments, the Company classified debts based on the number of overdue days from the date when the Company performs its obligation under the commitments:

- Group 3 – Sub-standard debts: overdue below 30 days;
- Group 4 – Doubtful debts: overdue from 30 days to less than 90 days;
- Group 5 – Loss debts: overdue from 90 days and above.

Bad debts are those under Groups 3, 4 and 5.

Where a customer owes more than one debt to the Company and has any of its debts classified to a higher risk group of debts, the Company is obliged to classify the remaining debts of such customer into the group of debts with the highest risk.

Debts are classified into a higher risk debt group in the following cases:

- Profitability ratio, solvency ratio, debt-to-capital ratio, cash flows and debt repayment ability of customers have decreased continuously through 03 consecutive debt assessment and classification periods;
- The Customers fail to provide sufficient, timely and truthful information as required to assess the customer's debt repayment ability;
- Debts that have been classified into Special mentioned, Substandard and Doubtful debts as prescribed in points (a), (b) above for 01 (one) year or more but are not eligible to be classified into a debt group with lower risk;
- Debts for which the act of granting credit is administratively sanctioned as prescribed by law.

The Company also collects loan classification results of the customers provided by the Credit Information Center of the SBV ("CIC") at the date of loan classification in order to adjust its own classification of loans. If a customer's loans and off-balance sheet commitments are classified in a loan group that has a lower risk than the loan groups provided in CIC's list, the Company shall adjust its classification of loans and off-balance commitments following the loan groups provided by CIC.

Debt classification for the debts with restructured debt repayment periods, exemption/reduction of interest/fees to support customers affected by the Covid-19 pandemic

The Company has applied Circular No. 01/2020/TT-NHNN dated 13 March 2020 (“Circular 01”) issued by the SBV on rescheduling of the debt repayment term, exempting, reducing interests and fees, retention of debt group in order to support customers affected by Covid-19 pandemic; Circular No. 03/2021/TT-NHNN dated 2 April 2021 (“Circular 03”) issued by the SBV amending and supplementing a number of articles of Circular 01 and Circular No. 14/2021/TT-NHNN dated 7 September 2021 (“Circular 14”) issued by the SBV amending and supplementing to some articles of Circular 01. Accordingly, for customers whose debts are incurred before 1 August 2021 and incurred obligations of debt principal repayments and/or interest payments during the period from 23 January 2020 to 30 June 2022, and these customers are unable to repay the principal and/or interest on schedule under the agreement due to decrease in revenue or income caused by Covid-19 pandemic, the Company is allowed to reschedule the repayment period, and exempt and reduce interests and fees for these debts and keep loan groups unchanged follows:

Time of loan incurrence	Period of debt obligation incurrence	Overdue status	Period of overdue	Principles in keeping loan groups unchanged
Before 23/1/2020	From 23/1/2020 to 30/6/2022	Not past due or overdue for up to 10 days	From 30/3/2020 to 30/6/2022	Keeping the loan group unchanged as classified at the most recent date before 23/1/2020.
From 23/1/2020 to before 1/8/2021		Not past due or overdue for up to 10 days	From 17/5/2021 to before 17/7/2021 or from 7/9/2021 to 30/6/2022	Keeping the loan group unchanged as classified at the most recent date before the first rescheduling of loan repayment period.
Before 23/1/2020		Overdue	From 23/1/2020 to 29/3/2020	Keeping the loan group unchanged as classified at the most recent date before 23/1/2020.
From 23/1/2020 to before 10/6/2020		Overdue	From 23/1/2020 to before 17/5/2021	Keeping the loan group unchanged as classified at the most recent date before the loan becomes overdue.
From 10/6/2020 to before 1/8/2021		Overdue	From 17/7/2021 to before 7/9/2021	

For the outstanding loan balances with repayment period rescheduled, interest exempted or reduced, overdue loan group kept unchanged according to the restructured term and the repayment period is no longer rescheduled by the Company in accordance with current regulations: The Company will classify the loans in accordance with Circular 11, taking into account the number of times of rescheduling repayment periods and keeping loan groups unchanged.

(ii) Specific allowance for credit risks

In accordance with Circular 11, specific allowance for credit risks at the end of each month is determined based the allowance rates corresponding to debt classification results and debt principals balance as at the end of the month less discounted value of collateral assets.

The rates of specific allowance for specific loan groups are as follows:

Group	Loan group	Rates of specific allowance
1	Current debts	0%
2	Special mentioned debts	5%
3	Sub-standard debts	20%
4	Doubtful debts	50%
5	Loss debts	100%

In addition, the Company should determine and record the specific allowance amount required to be added for customers who have loan balances with repayment period rescheduled, interest exempted or reduced if the regulations on keeping loan groups unchanged under the provisions of Circular 03 are not applied as follows:

Additional allowance	Deadline
At least 30% of the difference of specific allowance if not applying the policy on keeping loan groups unchanged	Until 31 December 2021
At least 60% of the difference of specific allowance if not applying the policy on keeping loan groups unchanged	Until 31 December 2022
100% of the difference of specific allowance if not applying the policy on keeping loan groups unchanged	Until 31 December 2023

(iii) General allowance for credit risks

According to Circular 11, general allowance is also required at the rate of 0.75% of total outstanding principals of debts at the last day of each month for debts classified in Group 1 to Group 4 excluding term deposits with and loans to other CIs, purchases of valuable papers issued by other ICs and repurchases of government bonds.

(iv) Write-off of bad debts

According to Circular 11, debts are written-off against the allowance when they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations and enterprises) or borrowers are deceased or missing (for borrowers being individuals).

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

(v) Classification and allowance for off-balance sheet commitments

According to Circular 11, the debt classification of off-balance sheet commitments is done solely for risk management and credit quality supervision of credit granting activities. The Company is not required to make provision for off-balance sheet commitments, except where the Company has been required to make payment under the guarantee contract, in which case the payment on behalf is classified and provision is made in accordance with the accounting policy as described in Note 3(g)(i) and Note 3(g)(ii).



(h) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation.

The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use.

Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the statement of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

When tangible fixed assets are sold or retired, any gain or loss resulting from their disposal (the difference between the net disposal proceeds and the carrying amount) is included in the statement of income.

(ii) Depreciation

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

▪ buildings and structures	5 years
▪ means of transportation	8 years
▪ office equipment and furniture	3 - 7 years

(i) Intangible fixed assets

(i) Software

The cost of acquiring a new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software costs are amortised on a straight-line basis over a period ranging from 3 to 7 years.

(ii) Other intangible fixed assets

Other intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is computed on a straight-line basis over 7 years.

(j) Other assets

Other assets, except for accounts receivable with credit risks disclosed in Note 3(g), are recognised at cost less allowance for on-balance sheet assets.

Allowance for on-balance sheet assets is made based on overdue date of debts or estimated loss arising from undue debts of which the indebted economic entities fall bankrupt or are undergoing dissolution procedures; debtors are missing, have fled, are prosecuted, detained or tried by law enforcement bodies, are serving sentences or have deceased. Allowance expense is recorded in operating expense during the year.

For the overdue assets, the Company applies the allowance rates by overdue period as follows:

Overdue status	Rate of allowance
▪ From 6 months to below 1 year	30%
▪ From 1 year to below 2 years	50%
▪ From 2 years to below 3 years	70%
▪ From 3 years and above	100%

Foreclosed assets transferred to the CIs awaiting resolution

Foreclosed assets transferred to the CIs awaiting resolution represent the foreclosed value of collaterals plus attributable costs of bringing the asset to its working condition and location for its intended use less accumulated depreciation. Depreciation is computed on a straight-line basis over periods ranging from 11 to 15 years.

Costs awaiting for amortization

Costs awaiting for amortization related to consumer lending are direct expenses attributable to lending activities and are recognized and amortized on a straight-line basis over 3 years in accordance with the valid term of the card loans.

Other costs awaiting for amortization include tools and instruments awaiting for amortization. Tools and instruments include assets held for use by the Company in the normal course of business whose costs of individual items are less than VND30 million and therefore not qualified for recognition as fixed assets under prevailing regulation. Cost of tools and instruments are amortised on a straight-line basis over a period ranging from 1 to 3 years.

(k) Other provisions

A provision, except for the allowances described in Notes 3(c), 3(d), 3(e), 3(f), 3(g) and 3(j) is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities.

(l) Deposits and borrowings from other CIs

Deposits and borrowings from other CIs are stated at cost.

(m) Deposits from customers

Deposits from customers are stated at cost.

(n) Valuable papers issued

Valuable papers issued are recorded at cost. Costs of valuable papers issued include amounts received from issuance minus direct expenses of issuance.

(o) **Other payables**

Other payables are stated at cost.

(p) **Share capital**

Ordinary shares

Ordinary shares are recognized at issuance price less incremental costs directly attributable to the issue of shares, net of tax effects. Such costs are recognized as a deduction from share premium.

Share premium

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

(q) **Reserves and funds**

According to Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government of Vietnam providing regulations on the financial regime applicable to credit institutions (“Decree 93”), the Company is required to make the following allocations before distribution of profits:

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

The financial reserve is used to cover losses incurred during the normal course of business. The financial reserve and the reserve to supplement charter capital are not used to pay dividends to shareholders or distribute profit to owners or capital contributors and classified as equity.

Other equity funds are allocated from profit after tax. The allocation from profit after tax and the utilisation of other equity funds are approved in the General Meeting of Shareholders. These funds are not required by law and are fully distributable.

(r) **Bonus and welfare fund**

Bonus and welfare fund is allocated from profit after tax in accordance with the resolution of the annual General Meeting of Shareholders and are used primarily to make payments to the Company’s employees.

(s) Revenue

(i) Interest income

Interest income is recognised in the statement of income on an accrual basis, except for interest income on loans classified in Group 2 to Group 5 described in Note 3(g) and debts kept unchanged in Group 1 as a result of adoption of Circular 01, Circular 03 and Circular 14. For loans that are classified in Group 2 to Group 5 as described in Note 3(g), the interest receivable will be derecognised and recorded as off-balance sheet items. When a debt is kept unchanged in the Current debts group as a result of implementing special policies of the State, the interest receivable arising during the year is not accounted for as income and the Company monitors such interest income on an off-balance sheet basis. Interest income of such debts are recognised in the statement of income upon receipt.

(ii) Fee and commission income

Fee and commission income is recognised in the statement of income when services are rendered.

(iii) Income from investing activities

Income from sale of securities is recognised in the statement of income upon receipt of the order matching notice from Vietnam Securities Depository (listed securities) and completion of the assets transfer agreement (unlisted securities) and is determined based on the differences between selling price and weighted average cost of securities sold.

Dividend income in cash and profit received from investment activities and capital contribution are recorded into the statement of income when the Company's right to receive dividends and profit has been established.

Dividends received in the form of shares of joint stock companies are not recognised as an increase in investment and such dividend income is not recognised in the statement of income. When share dividends are received, the Company only recognises an increase in the number of shares.

(t) Interest expenses

Interest expenses are recognised in the statement of income on an accrual basis.

(u) Fee and commission expenses

Fee and commission expenses are recognised in the statement of income when these expenses are incurred.

(v) Operating lease payments

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

(w) Taxation

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

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

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

A deferred tax asset is recognised only to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(x) Basic earnings per share

The Company presents basic earnings per share (EPS) for its ordinary shares. Basic earnings per share is calculated by dividing the profit or loss attributable to the ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. As at 31 December 2022 and for the year then ended, the Company had no potential ordinary shares and therefore does not present diluted EPS.

(y) Related parties

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

(z) Commitments and contingent liabilities

From time to time during its normal course of business, the Company has outstanding credit commitments. These commitments are approved and unutilised loans and overdraft facilities. The Company also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. These transactions are recorded in the financial statements when performed or when related expenses are incurred or received.

(aa) Nil balances

Items that are not shown in these financial statements in accordance to Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 and Circular No. 49/2014/TT-NHNN dated 31 December 2014 on the regulation on financial reporting regime applicable to credit institutions issued by the SBV on 31 December 2014, and Circular No. 27/2021/TT-NHNN dated 31 December 2021 of the SBV indicate nil balances.



(bb) Classification of financial instruments

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

(i) Financial assets

Financial assets recognised at fair value through profit or loss:

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

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

Held-to-maturity investments:

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

- Financial assets that, upon initial recognition, were categorised as financial assets such recognised at fair value through profit or loss;
- Financial assets already categorised as assets that available for sale; or
- Financial assets that meet the definitions of loans and receivables.

Loans and receivables

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

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

Available-for-sale financial assets

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

- Financial assets at fair value through profit or loss;
- Held-to-maturity investments; or
- Loans and receivables.

(ii) **Financial liabilities**

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities carried at amortised cost

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

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

(cc) **Comparative information**

Comparative information in these financial statements is presented as corresponding figures. Under this method, comparative information for the prior year are included as an integral part of the current year financial statements and are intended to be read only in relation to the amounts and other disclosures relating to the current year. Accordingly, the comparative information included in these financial statements is not intended to present the Company's financial position, results of operation or cash flows for the prior year.

4. Balances with the State Bank of Vietnam

	31/12/2022 VND	31/12/2021 VND
Balances with the SBV in VND	300,818,393	252,417,115

These consist of a compulsory reserve for liquidity and current accounts.

Under the State Bank of Vietnam's regulations relating to the compulsory reserve, the Company is permitted to maintain a floating balance for the compulsory reserve requirement ("CRR"). The monthly average balance of the reserve must not be less than CRR rates multiply with preceding month's average balances of deposits in scope.

The CRR rates at the year-end were as follows:

Currency	CRR rate	
	31/12/2022	31/12/2021
Preceding month's average balances of:		
▪ Deposits in VND with term of less than 12 months	3%	3%
▪ Deposits in VND with term of and more than 12 months	1%	1%

Annual interest rates at the year-end were as follows:

	31/12/2022	31/12/2021
Deposits in VND within the CRR	0.50%	0.50%
Deposits in VND beyond the CRR	0%	0%

5. Deposits with other credit institutions

	31/12/2022 VND	31/12/2021 VND
Current accounts		
Current accounts in VND	563,768,600,219	146,961,618,811
Current accounts in foreign currencies	1,230,121,252	3,923,886,001
Term deposits		
Term deposits in VND	500,000,000,000	200,000,000,000
	1,064,998,721,471	350,885,504,812

Term deposits with other CIs by group at year-end were as follows:

	31/12/2022 VND	31/12/2021 VND
Group 1 - Current debts	500,000,000,000	200,000,000,000

Annual interest rates at the year-end were as follows:

	31/12/2022	31/12/2021
Term deposits in VND	4.50% - 5.35%	2.00% - 2.90%

6. Loans to customers

	31/12/2022 VND	31/12/2021 VND
Loans to local economic entities and individuals	4,418,438,448,310	3,548,202,405,999

Loan portfolio by debt group was as follows:

	31/12/2022 VND	31/12/2021 VND
Group 1 - Current debts	3,390,767,380,764	2,689,082,410,146
Group 2 - Special mentioned debts	502,601,365,427	386,885,570,102
Group 3 - Substandard debts	233,324,969,461	268,930,789,058
Group 4 - Doubtful debts	239,236,630,384	197,225,341,657
Group 5 - Loss debts	52,508,102,274	6,078,295,036
	4,418,438,448,310	3,548,202,405,999

Loan portfolio by term was as follows:

	31/12/2022 VND	31/12/2021 VND
Short term loans	205,643,347,995	11,955,497,278
Medium term loans	4,192,830,153,864	3,522,605,986,693
Long term loans	19,964,946,451	13,640,922,028
	4,418,438,448,310	3,548,202,405,999

Loan portfolio by type of borrowers was as follows:

	31/12/2022		31/12/2021	
	VND	%	VND	%
Loans to economic entities	55,127,020,514	1.25%	4,696,560,000	0.13%
<i>Other joint stock companies</i>	42,872,376,169	0.97%	3,500,000,000	0.10%
<i>Limited liabilities companies</i>	12,254,644,345	0.28%	1,196,560,000	0.03%
Loans to individuals and unions	4,363,311,427,796	98.75%	3,543,505,845,999	99.87%
	4,418,438,448,310	100%	3,548,202,405,999	100%

Loan portfolio by industry sector was as follows:

	31/12/2022		31/12/2021	
	VND	%	VND	%
Individual and public services	4,385,388,057,784	99.25%	3,543,505,845,999	99.87%
Science and technology	11,058,084,345	0.25%	-	0.00%
Real estate business	10,803,728,006	0.24%	-	0.00%
Manufacturing and production of construction materials	9,992,018,175	0.23%	-	0.00%
Commerce, repair of motor vehicles, motor cycles, individual and household appliances	1,196,560,000	0.03%	1,196,560,000	0.03%
Mining	-	0.00%	3,500,000,000	0.10%
	4,418,438,448,310	100%	3,548,202,405,999	100%

Annual interest rates of loans to customers at the year-end were as follows:

	31/12/2022	31/12/2021
Loans in VND	8.00% - 51.00%	8.00% - 55.00%

7. Allowance for loans to customers

Allowance for loans to customers consists of:

	31/12/2022 VND	31/12/2021 VND
General allowance	32,744,478,963	26,565,933,616
Specific allowance	247,483,609,964	205,688,907,112
	280,228,088,927	232,254,840,728

Movements in allowance for loans to customers for the year ended 31 December 2022 were as follows:

	Specific allowance VND	General allowance VND	Total VND
Opening balance	205,688,907,112	26,565,933,616	232,254,840,728
Allowance made during the year (Note 27)	695,869,198,062	6,465,109,690	702,334,307,752
Allowance utilised during the year	(654,074,495,210)	(286,564,343)	(654,361,059,553)
Closing balance	247,483,609,964	32,744,478,963	280,228,088,927

Movements in allowance for loans to customers for the year ended 31 December 2021 were as follows:

	Specific allowance VND	General allowance VND	Total VND
Opening balance	82,831,783,363	21,124,586,800	103,956,370,163
Allowance made during the year (Note 27)	617,394,643,623	5,441,346,816	622,835,990,439
Allowance utilised during the year	(494,537,519,874)	-	(494,537,519,874)
Closing balance	205,688,907,112	26,565,933,616	232,254,840,728

8. Investment securities

	31/12/2022 VND	31/12/2021 VND
Available-for-sale securities		
<i>Debt securities</i>		
Debt securities issued by other local credit institutions	360,000,000,000	535,000,000,000
Debt securities issued by local economic entities	-	474,000,000,000
General allowance for available-for-sale securities (i)	-	(3,555,000,000)
	360,000,000,000	1,005,445,000,000
Held-to-maturity investment securities		
<i>Debt securities (excluding special bonds issued by VAMC)</i>		
Bonds issued by local economic entities	40,200,000,000	40,200,000,000
<i>Vietnam Debt and Asset Trading Corporation</i> (“DATC”)	40,200,000,000	40,200,000,000
General allowance for held-to-maturity investment securities (excluding special bonds issued by VAMC) (i)	(301,500,000)	(301,500,000)
	39,898,500,000	39,898,500,000
<i>Special bonds issued by VAMC</i>		
Cost of special bonds issued by VAMC	222,000,000,000	241,001,720,930
Allowance for special bonds issued by VAMC (ii)	(46,320,112,101)	(38,000,991,872)
	175,679,887,899	203,000,729,058
	575,578,387,899	1,248,344,229,058

Portfolio of debt securities classified as assets exposed to credit risk by loan group was as follows:

	31/12/2022	31/12/2021
	VND	VND
Current debts	40,200,000,000	40,200,000,000

(i) Movements in general allowance for investment securities during the year were as follows:

	2022	2021
	VND	VND
Opening balance	3,856,500,000	1,801,500,000
(Reversal)/addition of general allowance for investment securities during the year (Note 24)	(3,555,000,000)	2,055,000,000
Closing balance	301,500,000	3,856,500,000

(ii) Movements in allowance for special bonds issued by VAMC during the year were as follows:

	2022	2021
	VND	VND
Opening balance	38,000,991,872	27,500,991,872
Allowance made during the year (Note 27)	10,029,596,002	10,500,000,000
Allowance utilised during the year	(1,710,475,773)	-
Closing balance	46,320,112,101	38,000,991,872

9. Long-term investments

	31/12/2022		31/12/2021	
	% of ownership	% of voting rights	% of ownership	% of voting rights
			Cost VND	Allowance VND
				Cost VND
				Allowance VND
Med-Aid Cong Minh Joint Stock Company	8.64%	8.64%	2,150,000,000	(2,150,000,000)
Thong Nhat Flat Steel Joint Stock Company	6.00%	6.00%	12,359,062,700	(8,879,326,600)
			14,509,062,700	(11,029,326,600)

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

	2022 VND	2021 VND
Opening balance	2,150,000,000	11,749,272,000
Allowance made/(reversed) during the year (Note 26)	8,879,326,600	(9,599,272,000)
Closing balance	11,029,326,600	2,150,000,000

10. Tangible fixed assets

Year ended 31 December 2022

	Buildings and structures VND	Means of transportation VND	Office equipment and furniture VND	Total VND
Cost				
Opening balance	1,318,354,477	12,291,171,090	19,279,035,981	32,888,561,548
Additions	-	5,313,760,000	1,629,407,700	6,943,167,700
Disposals	-	(1,082,971,090)	(247,523,836)	(1,330,494,926)
Closing balance	1,318,354,477	16,521,960,000	20,660,919,845	38,501,234,322
Accumulated depreciation				
Opening balance	1,318,354,477	5,240,578,052	11,204,566,927	17,763,499,456
Charge for the year	-	1,901,941,182	4,189,384,311	6,091,325,493
Disposals	-	(1,082,971,090)	(247,523,836)	(1,330,494,926)
Closing balance	1,318,354,477	6,059,548,144	15,146,427,402	22,524,330,023
Net book value				
Opening balance	-	7,050,593,038	8,074,469,054	15,125,062,092
Closing balance	-	10,462,411,856	5,514,492,443	15,976,904,299

Year ended 31 December 2021

	Buildings and structures VND	Means of transportation VND	Office equipment and furniture VND	Total VND
Cost				
Opening balance	1,318,354,477	8,955,371,090	12,534,122,180	22,807,847,747
Additions	-	3,335,800,000	6,744,913,801	10,080,713,801
Closing balance	1,318,354,477	12,291,171,090	19,279,035,981	32,888,561,548
Accumulated depreciation				
Opening balance	1,318,354,477	4,042,258,817	7,766,191,937	13,126,805,231
Charge for the year	-	1,198,319,235	3,438,374,990	4,636,694,225
Closing balance	1,318,354,477	5,240,578,052	11,204,566,927	17,763,499,456
Net book value				
Opening balance	-	4,913,112,273	4,767,930,243	9,681,042,516
Closing balance	-	7,050,593,038	8,074,469,054	15,125,062,092

Included in tangible fixed assets were assets costing VND10,631,170,379 which were fully depreciated as of 31 December 2022 (31/12/2021: VND7,946,745,905), but which are still in use.

11. Intangible fixed assets

Year ended 31 December 2022

	Software VND	Other intangible fixed assets VND	Total VND
Cost			
Opening balance	55,418,079,699	4,854,832,416	60,272,912,115
Additions	11,626,486,500	3,668,000,000	15,294,486,500
Closing balance	67,044,566,199	8,522,832,416	75,567,398,615
Accumulated amortisation			
Opening balance	27,394,298,428	2,110,834,804	29,505,133,232
Charge for the year	9,670,609,805	688,407,720	10,359,017,525
Closing balance	37,064,908,233	2,799,242,524	39,864,150,757
Net book value			
Opening balance	28,023,781,271	2,743,997,612	30,767,778,883
Closing balance	29,979,657,966	5,723,589,892	35,703,247,858

Year ended 31 December 2021

	Software VND	Other intangible fixed assets VND	Total VND
Cost			
Opening balance	51,006,599,699	4,854,832,416	55,861,432,115
Additions	4,411,480,000	-	4,411,480,000
Closing balance	55,418,079,699	4,854,832,416	60,272,912,115
Accumulated amortisation			
Opening balance	19,045,359,603	1,422,427,095	20,467,786,698
Charge for the year	8,348,938,825	688,407,709	9,037,346,534
Closing balance	27,394,298,428	2,110,834,804	29,505,133,232
Net book value			
Opening balance	31,961,240,096	3,432,405,321	35,393,645,417
Closing balance	28,023,781,271	2,743,997,612	30,767,778,883

Included in intangible fixed assets were assets costing VND5,430,335,312 which were fully depreciated as of 31 December 2022 (31/12/2021: VND1,126,812,000), but which are still in use.

12. Other assets

	31/12/2022 VND	31/12/2021 VND
Receivables (a)	48,933,488,512	53,485,116,539
Interest and fee receivables (b)	131,703,391,191	165,355,392,014
Other assets (c)	523,398,253,168	483,512,414,398
Allowance for other on-balance sheet assets (d)	(3,030,701,385)	(2,156,937,828)
	701,004,431,486	700,195,985,123

(a) Receivables

	31/12/2022 VND	31/12/2021 VND
Internal receivables		
Receivables from employees	346,819,151	302,387,895
External receivables		
Advances to suppliers on finishing fees for ship CFC 05 (i)	14,219,739,429	14,219,739,429
Receivables from payment channels of partners	8,975,879,724	6,661,161,555
Deposits for office rental	8,061,041,747	8,197,213,010
Receivables from VAMC (ii)	4,100,000,000	4,100,000,000
Corporate income tax overpaid (Note 17)	5,128,577,157	3,899,315,174
Input VAT (Note 17)	1,081,118,312	1,343,549,076
Amount waiting reimbursement on subsidized loans	1,064,584,890	1,064,584,890
Receivables on consulting fees	86,300,000	86,300,000
Deposits from customers	72,468,812	75,468,812
Deposit placed at security company for trading purposes	404,685	267,155,015
Other receivables	5,796,554,605	13,268,241,683
	48,933,488,512	53,485,116,539

- (i) This represents the advance paid by the Company for finishing Ship CFC 05 to the lead contractor, An Dong Joint Stock Company (“An Dong”) under Economic Contract No. 01/2015/CFC-AD dated 25 September 2015 and related contracts on supply of equipment and services to other sub-contractors. In 2020 and 2021, the Company and An Dong met to discuss and work on the completion progress of the ship. At the same time, the Company signed a contract with Huong Anh Shipping Trading Company Limited (“Huong Anh”) on 30 December 2021, under which, Huong Anh would be in charge of consulting and supervising the completion of the CFC 05 ship resumed by An Dong, ensuring to put into operation and exploitation within 18 months from the date of signing the contract between the Company and Huong Anh. In year 2022, the parties were performing technical registration procedures and completing documents and certificates to put CFC 05 ship into operation.

- (ii) This represents the receivables from VAMC on debt collection related to the sale of the debts to VAMC and receipt of special bonds. The Company recorded these in accordance with guidance in Official Letter No. 8499/NHNN-TCKT dated 14 November 2013 of the SBV; accordingly, the debt collection amount is recognised in receivables from VAMC and deposits from customers. These deposits will be returned to the Company on the date that the Company repurchases special bonds at the latest or on maturity of the bonds.

(b) Interest and fee receivables

	31/12/2022 VND	31/12/2021 VND
Interest receivables from deposits in VND	161,917,808	84,931,507
Interest receivables from investment securities	33,925,119,981	43,371,226,833
Interest receivables from loans in VND	77,895,217,569	60,065,795,786
Fee receivables	19,721,135,833	61,833,437,888
	131,703,391,191	165,355,392,014

(c) Other assets

	31/12/2022 VND	31/12/2021 VND
Foreclosed assets transferred to the CI awaiting for resolution (i)	125,848,847,496	135,815,916,876
In which:		
<i>Foreclosed value</i>	209,086,219,628	209,086,219,628
<i>Finishing expenses</i>	5,694,953,453	5,694,953,453
<i>Accumulated depreciation</i>	(88,932,325,585)	(78,965,256,205)
Prepaid expenses	397,549,405,672	347,696,497,522
In which:		
<i>Tools and instruments (ii)</i>	6,827,109,468	8,810,148,594
<i>Office repair (iii)</i>	6,951,810,454	8,302,813,912
<i>Consumer lending activities (iv)</i>	360,989,553,934	289,456,680,377
<i>Prepaid expenses - management activities</i>	22,634,943,948	39,404,384,880
<i>Other prepaid expenses</i>	145,987,868	1,722,469,759
	523,398,253,168	483,512,414,398

- (i) These represent collaterals being ships arising from the collection for settlement of customer's debts. For the finished ships awaiting resolution, the Company operated these ships through business cooperation contracts (Note 17(b)(iii)). Income and expenses, including depreciation charges of ships, from business cooperation contracts are shared at a ratio between the Company and other parties that operate the ships and are recognised in other income and other operating expenses, respectively. For the year ended 31 December 2022, the Company recognised depreciation charges for the ships of VND9,967,069,380 (2021: VND10,049,448,138) (Note 25).

Details of foreclosed assets as at 31 December 2022 were as follows:

Asset	Mortgaging party	Value determined by parties upon foreclosure VND	Value added tax VND	Foreclosure value VND	Finishing expenses VND	Accumulated depreciation VND	Carrying amount VND
Ship CFC 01	Huong Thinh Land-Route and Ship Transport JSC	51,682,398,851	5,168,239,885	56,850,638,736	3,424,131,515	(33,485,983,500)	26,788,786,751
Ship CFC 02	Manh Ha Sea Transport Co., Ltd.	45,367,988,183	4,536,798,818	49,904,787,001	921,833,300	(32,190,192,882)	18,636,427,419
Ship CFC 03	Huong Thuy Joint Stock Company	25,615,679,855	2,527,730,167	28,143,410,022	20,000,000	(23,256,149,203)	4,907,260,819
Ship CFC 04 (*)	Huong Thuy Joint Stock Company	36,214,198,928	-	36,214,198,928	936,472,729	-	37,150,671,657
Ship CFC 05 (*)	Tien Thanh Co., Ltd.	34,521,077,219	3,452,107,722	37,973,184,941	392,515,909	-	38,365,700,850
		193,401,343,036	15,684,876,592	209,086,219,628	5,694,953,453	(88,932,325,585)	125,848,847,496

Details of foreclosed assets as at 31 December 2021 were as follows:

Asset	Mortgaging party	Value determined by parties upon foreclosure VND	Value added tax VND	Foreclosure value VND	Finishing expenses VND	Accumulated depreciation VND	Carrying amount VND
Ship CFC 01	Huong Thinh Land-Route and Ship Transport JSC	51,682,398,851	5,168,239,885	56,850,638,736	3,424,131,515	(29,467,665,480)	30,807,104,771
Ship CFC 02	Manh Ha Sea Transport Co., Ltd.	45,367,988,183	4,536,798,818	49,904,787,001	921,833,300	(28,801,751,526)	22,024,868,775
Ship CFC 03	Huong Thuy Joint Stock Company	25,615,679,855	2,527,730,167	28,143,410,022	20,000,000	(20,695,839,199)	7,467,570,823
Ship CFC 04 (*)	Huong Thuy Joint Stock Company	36,214,198,928	-	36,214,198,928	936,472,729	-	37,150,671,657
Ship CFC 05 (*)	Tien Thanh Co., Ltd.	34,521,077,219	3,452,107,722	37,973,184,941	392,515,909	-	38,365,700,850
		193,401,343,036	15,684,876,592	209,086,219,628	5,694,953,453	(78,965,256,205)	135,815,916,876

(*) Ships CFC 04 and CFC 05 are in the finishing process and have not been put into operation.

- (ii) Movements of expenses awaiting amortisation which are tools and instruments during the year were as follows:

	2022 VND	2021 VND
Opening balance	8,810,148,594	11,233,659,838
Incurred during the year	3,653,997,949	5,503,722,738
Amortised during the year	(5,637,037,075)	(7,927,233,982)
Closing balance	6,827,109,468	8,810,148,594

- (iii) Movements of expenses awaiting amortisation which are repair and renovation expenses for leased office during the year were as follows:

	2022 VND	2021 VND
Opening balance	8,302,813,912	8,978,854,512
Incurred during the year	3,855,065,001	4,279,423,637
Amortised during the year	(5,206,068,459)	(4,955,464,237)
Closing balance	6,951,810,454	8,302,813,912

- (iv) Movements of expenses awaiting amortisation which are consumer lending expenses during the year were as follows:

	2022 VND	2021 VND
Opening balance	289,456,680,377	230,003,112,032
Incurred during the year	289,961,216,569	223,165,243,001
Amortised during the year	(218,428,343,012)	(163,711,674,656)
Closing balance	360,989,553,934	289,456,680,377

(d) Allowance for on-balance sheet assets

	31/12/2022 VND	31/12/2021 VND
Allowance for fees receivable from customers	2,385,403,050	1,562,652,127
Allowance for receivables on company guarantee fees	137,941,654	136,108,320
Allowance for fee receivables from Med-Aid Cong Minh Joint Stock Company	150,000,000	150,000,000
Allowance for receivables on fund arrangement expenses - Thong Nhat Flat Steel Joint Stock Company	16,118,465	16,118,465
Other allowance	341,238,216	292,058,916
	3,030,701,385	2,156,937,828

Movements of allowance for other on-balance sheet assets during the year were as follows:

	2022 VND	2021 VND
Opening balance	2,156,937,828	17,310,257,814
Allowance made/(reversed) during the year (Note 26(i))	888,981,830	(15,153,319,986)
Allowance utilised during the year	(15,218,273)	-
Closing balance	3,030,701,385	2,156,937,828

13. Deposits and borrowings from other credit institutions

	31/12/2022 VND	31/12/2021 VND
Term deposits from other credit institutions in VND	739,000,000,000	830,000,000,000
Borrowings from other credit institutions in VND	535,000,000,000	280,000,000,000
	1,274,000,000,000	1,110,000,000,000

Annual interest rates of deposits and borrowings from other CIs at the year-end were as follows:

	31/12/2022	31/12/2021
Term deposits from other credit institutions in VND	4.40% - 9.00%	2.50% - 4.20%
Borrowings from other credit institutions in VND	5.60% - 9.50%	2.20% - 5.00%

14. Deposits from customers

	31/12/2022 VND	31/12/2021 VND (Reclassified)
Deposits from VAMC	94,879,887,899	98,061,010,414
Deposits from economic entities in VND	325,938,051,349	66,749,770,480
Marginal deposits in VND	300,000,000	20,000,000
	421,117,939,248	164,830,780,894

15. Valuable papers issued

	31/12/2022	31/12/2021
	VND	VND
Certificates of deposits in VND	3,693,200,000,000	3,871,400,000,000

Annual interest rates of certificates of deposits at the year-end were as follows:

	31/12/2022	31/12/2021
Certificates of deposits in VND	6.00% - 16.00%	4.00% - 11.50%

16. Other liabilities

	31/12/2022	31/12/2021
	VND	VND
Accrued interest and fees payable (a)	201,123,095,715	153,013,166,059
Other liabilities (b)	87,504,502,439	125,866,656,931
	288,627,598,154	278,879,822,990

(a) Accrued interest and fees payable

	31/12/2022	31/12/2021
	VND	VND
Accrued interest payable for deposits	3,768,851,589	3,264,750,613
Accrued interest payable for valuable papers issued in VND	184,711,819,471	148,393,072,981
Accrued interest payable for borrowings from other CIs	12,642,424,655	1,355,342,465
	201,123,095,715	153,013,166,059

(b) Other liabilities

	31/12/2022 VND	31/12/2021 VND
Internal payables	26,657,744,313	25,294,990,770
In which:		
<i>Payables to employees</i>	18,204,654,974	18,931,837,731
<i>Bonus and welfare fund, science and technology development fund (i)</i>	8,452,882,761	6,362,946,461
<i>Other payables</i>	206,578	206,578
External payables	60,846,758,126	100,571,666,161
In which:		
<i>Payables to counterparties related to consumer loans (ii)</i>	5,742,712,424	20,898,944,312
<i>Receipt of contributed capital for business cooperation (iii)</i>	12,703,957,485	12,703,957,485
<i>Payables to Hi Gio Cloud</i>	5,704,295,120	3,501,312,845
<i>Taxes payable (Note 17)</i>	2,015,504,762	2,085,879,667
<i>Payables to Vietnam Credit Information Joint Stock Company</i>	3,247,998,809	3,634,322,408
<i>Payables to suppliers on finishing fees for Ship CFC 05</i>	2,726,747,936	2,726,747,936
<i>Payables related to IT infrastructure service contracts</i>	5,851,302,932	3,146,892,738
<i>Payables related to purchase of securities</i>	-	32,275,670,630
<i>Dividends payable from 2008 to 2014</i>	1,815,683,000	1,815,683,000
<i>Payables to Vien Dong Assurance Joint Stock Company</i>	261,848,073	504,361,030
<i>Receipt of deposits for bareboat charter - Ships CFC 01, 02, 03</i>	975,000,000	1,600,000,000
<i>Payables on social insurance, health insurance, unemployment insurance and trade union fees</i>	440,831,104	445,344,611
<i>Revenue from guarantee fees awaiting amortisation</i>	24,869,232	12,369,229
<i>Others awaiting payment</i>	19,336,007,249	15,220,180,270
	87,504,502,439	125,866,656,931

(i) Movements of bonus and welfare fund, science and technology development fund during the year were as follows:

	2022 VND	2021 VND
Opening balance	6,362,946,461	3,267,232,161
Appropriation during the year (Note 18)	3,000,000,000	7,000,000,000
Utilisation during the year	(910,063,700)	(3,904,285,700)
Closing balance	8,452,882,761	6,362,946,461

(ii) These represent payables to National Payment Corporation of Vietnam (NAPAS) related to consumer loans granted in the form of borrowing cards via the national bank network within the NAPAS system. Payables are incurred and reconciled on a daily basis between the Company and NAPAS.

- (iii) This represents the remaining business cooperation capital of the partners, namely Manh Ha Sea Transport Co., Ltd., Huong Thinh Land-Route and Ship Transport JSC and Tien Thanh Co., Ltd, (details of the these business cooperation assets are presented in *Note 12(c)*) which are recognised in accordance with Business Cooperation Contracts between the Company and these partners.

17. Taxes and others payable to State Treasury

Movements of taxes payable during the year ended 31 December 2022 were as follows:

	Balance as at 1/1/2022 (Receivable)/ Payable VND	Incurred during the year		Balance as at 31/12/2022 (Receivable)/ Payable VND
		Incurred VND	Paid/ deducted VND	
Value added tax (<i>Note 12(a)</i>)	(1,343,549,076)	(12,623,440,211)	12,885,870,975	(1,081,118,312)
Corporate income tax (<i>Note 12(a)</i>)	(3,899,315,174)	12,190,776,388	(13,420,038,371)	(5,128,577,157)
Other taxes (<i>Note 16(b)</i>)	2,085,879,667	30,857,230,428	(30,927,605,333)	2,015,504,762
	(3,156,984,583)	30,424,566,605	(31,461,772,729)	(4,194,190,707)

Movements of taxes payable during the year ended 31 December 2021 were as follows:

	Balance as at 1/1/2021 VND	Incurred during the year		Balance as at 31/12/2021 VND
		Incurred VND	Paid/ deducted VND	
Value added tax (<i>Note 12(a)</i>)	(1,280,853,722)	(10,978,008,841)	10,915,313,487	(1,343,549,076)
Corporate income tax (<i>Note 12(a)</i>)	(1,550,073,234)	12,863,860,072	(15,213,102,012)	(3,899,315,174)
Other taxes (<i>Note 16(b)</i>)	1,747,673,463	22,701,006,420	(22,362,800,216)	2,085,879,667
	(1,083,253,493)	24,586,857,651	(26,660,588,741)	(3,156,984,583)

The Company's tax returns are subject to examination by the tax authorities. Since the application of tax laws and regulations to various types of transactions can be interpreted in a number of different ways, the amounts reported in the financial statements may change at a later date upon final determination by the tax authorities.

18. Capital and reserves

	Charter capital VND	Investment and development fund VND	Financial reserve fund VND	Reserve to supplement charter capital VND	Retained profits VND	Total VND
Balance at 1 January 2021	687,872,140,000	1,680,744,633	31,094,684,739	801,839,050	33,087,464,513	754,536,872,935
Net profit for the year	-	-	-	-	36,896,328,785	36,896,328,785
Appropriation to equity funds for 2020 in accordance to Resolution of General Meeting of Shareholders 2021	-	-	3,261,278,242	1,630,639,121	(4,891,917,363)	-
Appropriation to bonus and welfare fund for employees and bonus fund for CI management personnel, Board of Management, Supervisors in 2020	-	-	-	-	(7,000,000,000)	(7,000,000,000)
Balance at 31 December 2021	687,872,140,000	1,680,744,633	34,355,962,981	2,432,478,171	58,091,875,935	784,433,201,720
Net profit for the year	-	-	-	-	63,373,867,767	63,373,867,767
Increase in charter capital from the ESOP	13,500,000,000	-	-	-	-	13,500,000,000
Appropriation to equity funds for 2021 in accordance to Resolution of General Meeting of Shareholders 2022	-	-	3,689,632,879	1,844,816,439	(5,534,449,318)	-
Appropriation to bonus and welfare fund for employees and bonus fund for CI management personnel, Board of Management, Supervisors in 2021	-	-	-	-	(3,000,000,000)	(3,000,000,000)
Balance at 31 December 2022	701,372,140,000	1,680,744,633	38,045,595,860	4,277,294,610	112,931,294,384	858,307,069,487

Details of charter capital of the Company were as follows:

	31/12/2022		31/12/2021	
	Number of shares	VND	Number of shares	VND
Charter capital	70,137,214	701,372,140,000	68,787,214	687,872,140,000

Details of shares of the Company were as follows:

	31/12/2022	31/12/2021
Shares registered for issuance	70,137,214	68,787,214
Shares sold to the public	70,137,214	68,787,214
- Ordinary shares	70,137,214	68,787,214
Shares in circulation	70,137,214	68,787,214
- Ordinary shares	70,137,214	68,787,214
Par value of shares in circulation (VND)	10,000	10,000

Each share is entitled to one vote at meetings of the Company. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Company's residual assets.

19. Interest income and similar income

	2022 VND	2021 VND
Interest income from deposits	5,953,347,271	4,926,453,159
Interest income from loans to customers	1,503,395,283,835	1,290,818,582,618
Interest income from trading, investments in securities	40,692,345,202	52,739,148,652
Fees from guarantee and other income	356,363,953	367,613,958
Fees from credit card issuance	135,549,835,000	185,815,625,000
Others	15,230,444	6,523
	1,685,962,405,705	1,534,667,429,910

20. Interest expenses and similar expenses

	2022 VND	2021 VND
Interest expenses from deposits	26,692,426,442	18,806,172,464
Interest expenses from loans	14,694,205,478	27,806,079,090
Interest expenses from valuable paper issued	329,538,536,872	286,246,026,848
Other interest expenses	2,200,000	1,020,004
	<hr/> 370,927,368,792	<hr/> 332,859,298,406

21. Net fee and commission expenses

	2022 VND	2021 VND
Fee and commission income		
Insurance business and services	42,380,812,813	37,539,972,061
Others	1,660,583,480	642,957,585
	<hr/> 44,041,396,293	<hr/> 38,182,929,646
Fee and commission expenses		
Settlement and agency services	(9,153,421,202)	(11,991,152,920)
Consulting services	(5,195,457,045)	(2,409,050,004)
Brokerage commission	(16,914,040,432)	(31,220,600,813)
Other expenses	(28,144,975,805)	(17,608,373,430)
	<hr/> (59,407,894,484)	<hr/> (63,229,177,167)
	<hr/> (15,366,498,191)	<hr/> (25,046,247,521)

22. Net (loss)/gain from trading of foreign currencies

	2022 VND	2021 VND
Gain from trading of foreign currencies		
Gain from spot foreign exchange	355,094,562	719,861,618
Loss from trading of foreign currencies		
Loss from spot foreign exchange	(2,489,555,955)	(34,840,061)
Net (loss)/gain from trading of foreign currencies	(2,134,461,393)	685,021,557

23. Net gain/(loss) from securities held for trading

	2022 VND	2021 VND
Gain from securities held for trading	2,558,805,340	921,245,940
Loss from securities held for trading	(509,575,778)	(16,549,907)
Reversal/(addition) of general allowance for securities held for trading during the year (Note 8)	3,422,544,050	(3,422,544,050)
Net gain/(loss) from securities held for trading	5,471,773,612	(2,517,848,017)

24. Net loss from investment securities

	2022 VND	2021 VND
Gain from investment securities	-	55,207,858
Loss from investment securities	(6,006,551,803)	(7,015,689,706)
Reversal/(addition) of general allowance for investment securities (Note 8)	3,555,000,000	(2,055,000,000)
Net loss from investment securities	(2,451,551,803)	(9,015,481,848)

25. Net gain from other activities

	2022 VND	2021 VND
Income from other activities		
Gains from debts written off	71,636,834,491	21,963,482,995
Income from sale of debts	70,627,378,126	-
Revenue from vessel chartering	3,006,784,148	2,700,000,003
Gains from disposals of assets	320,000,000	-
Other income	10,849,632,821	2,558,180,807
	<hr/> 156,440,629,586	<hr/> 27,221,663,805
Expenses for other activities		
Expenses for cooperation in ship debt collection	(11,941,592,445)	(12,739,460,498)
In which:		
<i>Depreciation expense (Note 12(c))</i>	(9,967,069,380)	(10,049,448,138)
Other expenses	(25,170,447,759)	(13,242,831,244)
	<hr/> (37,112,040,204)	<hr/> (25,982,291,742)
Net gain from other activities	<hr/> 119,328,589,382	<hr/> 1,239,372,063

26. Operating expenses

	2022 VND	2021 VND
Staff costs	390,236,745,600	304,792,284,798
In which:		
<i>Salary, wages and allowances</i>	344,495,930,663	267,036,864,626
<i>Salary based expenses</i>	37,854,241,583	29,795,192,793
<i>Other staff expenses</i>	7,886,573,354	7,960,227,379
Depreciation expense	16,450,343,018	13,674,040,759
Other expenses (i)	225,267,251,993	165,590,442,885
	<hr/> 631,954,340,611	<hr/> 484,056,768,442

(i) Other expenses comprise:

	2022 VND	2021 VND
Tax, duties and fees	17,568,680,254	14,743,040,330
Asset repair and maintenance costs (*)	601,023,511	1,737,690,004
Tools and supplies	27,503,804,933	24,691,883,889
Expenses on assets insurance	159,676,743	105,199,735
Expenses on assets rental (**)	32,827,260,084	30,793,170,037
Office supplies, petrol and oil	1,207,290,314	813,081,844
Post and telecommunication charges	52,068,113,064	39,443,408,846
Meeting, reception, festivals	6,451,334,055	5,249,088,071
Per diem	14,083,356,333	10,796,021,167
Publication, marketing and promotion expenses	28,887,732,100	32,697,814,095
Training, coaching expenses	1,882,600,074	2,176,310,698
Allowance made/(reversed) for long-term investments (Note 9)	8,879,326,600	(9,599,272,000)
Allowance made/(reversed) for other on-balance sheet assets (Note 12)	888,981,830	(15,153,319,986)
Expenses for science and technology research and application, innovations	6,500,234,659	13,143,039,317
Other expenses	25,757,837,439	13,953,286,838
	225,267,251,993	165,590,442,885

(*) These include expenses for repair and renovation of the Head Office, branches and networks of transaction points to serve the consumer finance activity and system maintenance expenses not qualified as fixed assets.

(**) These include office rental for the Head Office, branches and networks of transaction points to serve the consumer finance activities.

27. Allowance and provision expenses

	Note	2022 VND	2021 VND
General allowance made for loans to customers	7	6,465,109,690	5,441,346,816
Specific allowance made for loans to customers	7	695,869,198,062	617,394,643,623
Allowance made for special bonds issued by VAMC	8	10,029,596,002	10,500,000,000
		712,363,903,754	633,335,990,439

28. Income tax

(a) Recognised in the statement of income

	2022 VND	2021 VND
Current tax expense		
Current year	15,425,506,962	12,863,860,072
Over provision in prior years	(3,234,730,574)	-
	12,190,776,388	12,863,860,072

(b) Reconciliation of effective tax rate

	2022 VND	2021 VND
Accounting profit before tax	75,564,644,155	49,760,188,857
Tax at the Company's tax rate	15,112,928,831	9,952,037,771
Non-deductible expenses	312,578,131	3,497,337,532
Tax losses utilised	-	(585,515,231)
Over provision in prior years	(3,234,730,574)	-
	12,190,776,388	12,863,860,072

(c) Applicable tax rate

The Company has an obligation to pay the Government income tax at the rate of 20% of taxable profits. The income tax computation is subject to review and approval by tax authorities.

29. Basic earnings per share

The calculation of basic earnings per share for the year ended 31 December 2022 was based on the profit attributable to ordinary shareholders of VND60,373,867,767 (year ended 31 December 2021: profit attributable to ordinary shareholders of VND29,896,328,785) and a weighted average number of ordinary shares outstanding of 68,846,392 (year ended 31 December 2021: 68,787,214), calculated as follows:



(i) *Net profit attributable to ordinary shareholders*

	2022 VND	2021 VND
Net profit for the year	63,373,867,767	36,896,328,785
Appropriation to bonus and welfare fund	(3,000,000,000)	(7,000,000,000)
Net profit attributable to ordinary shareholders	<u>60,373,867,767</u>	<u>29,896,328,785</u>

(ii) *Weighted average number of ordinary shares*

	2022	2021
Issued ordinary shares at the beginning of the year	68,787,214	68,787,214
Effect of shares issued in year	59,178	-
Weighted average number of ordinary shares for the year	<u>68,846,392</u>	<u>68,787,214</u>

(iii) *Basic earnings per share*

	2022 VND	2021 VND
Basic earnings per share	<u>877</u>	<u>435</u>

30. Cash and cash equivalents

	31/12/2022 VND	31/12/2021 VND
Balances with the SBV (Note 4)	300,818,393	252,417,115
Demand deposits with other CIs (Note 5)	564,998,721,471	150,885,504,812
Deposits with other CIs with original term not exceeding 3 months (Note 5)	500,000,000,000	200,000,000,000
	<u>1,065,299,539,864</u>	<u>351,137,921,927</u>

31. Employees' benefits

	2022 VND	2021 VND
Total number of employees as at 31 December (person)	1,736	1,982
Average number of employees during the year (person)	2,045	2,003
Employees' income during the year (VND)	344,495,930,663	267,036,864,626
Average monthly income (VND)	14,036,995	11,109,871

32. Commitments and contingencies

In normal course of business, the Company uses off-balance sheet items. These items mainly comprise irrevocable loan commitments and financial guarantees. These instruments involve elements of credit risk for the Company apart from those recognised in the balance sheet. Financial guarantees are conditional commitments issued by the Company to guarantee the performance of the Company's customer to a third party related to guarantee for borrowings, guarantee for settlement, contract performance guarantee and bid guarantee. The credit risk associated with issuing guarantees is basically the same with risk associated with loans to customers.

Details on contingent liabilities and off-balance sheet commitments at the year-end were as follows.

	31/12/2022 VND	31/12/2021 VND
Irrevocable loan commitments	2,935,956,970,704	1,977,327,326,029
Other guarantees	43,419,000,000	43,419,000,000
Other commitments	-	367,555,810,000
Uncollected loan interest and fees	250,490,810,688	273,763,925,572
- <i>Loan interest not yet collected</i>	250,490,810,688	273,763,925,572
Bad debts written off	1,087,144,649,468	1,562,752,153,466
- <i>Written-off principal of debts under surveillance</i>	588,363,967,510	903,474,632,462
- <i>Written-off interest of debts under surveillance</i>	498,780,681,958	659,277,521,004
Other assets and documents in custody	646,623,720,930	676,623,720,930
- <i>Other assets kept under custody</i>	16,272,000,000	16,272,000,000
- <i>Other valuable documents in custody</i>	630,351,720,930	660,351,720,930
- <i>Leased assets (*)</i>	(*)	(*)

(*) The Company was not able to determine the value of the leased assets.

33. Significant transactions and balances with related parties

Significant balances with related parties at the year end were as follows:

Related party	Transactions	31/12/2022 Assets/ (liabilities) VND	31/12/2021 Assets/ (liabilities) VND
Share capital contributing entities	Investment	14,509,062,700	14,509,062,700
	Receivables on fund arrangement fees	16,118,465	16,118,465
Subsidiary of major shareholder	Interests payable for entrusted fund management and entrusted cash flow management	-	(1,328,118)
	Valuable papers issued	(40,000,000,000)	(50,000,000,000)
	Interest payables for valuable papers issued	(2,682,534,246)	(3,851,465,756)

42
 T)
 HỮU
 1G
 - 1
 11

Significant transactions for the year with related parties were as follows:

Related party	Transactions	2022 Income/ (expenses) VND	2021 Income/ (expenses) VND
Board of Directors	Remuneration		
	Mr. Nguyen Duc Phuong	(2,026,181,818)	(2,047,619,048)
	Mr. Nguyen Chi Hieu	(120,000,000)	(120,000,000)
	Mr. Pham Hai Au	(1,041,159,091)	(120,000,000)
	Mr. Nguyen Quang Tuan	(103,809,524)	(110,476,190)
	Mr. Nguyen Duc Huynh	(120,000,000)	(80,909,091)
	Mr. Nguyen Lan Trung Anh	(120,000,000)	(120,000,000)
Board of Management	Salary of General Director	(4,443,911,429)	(4,277,923,810)
	Salary of other key management personnel	(9,203,316,229)	(5,400,283,847)
Supervisory Board	Remuneration	(1,132,363,636)	(1,120,190,476)
Major shareholder	Interest expenses for entrusted fund management and entrusted cash flow management	-	(42,300,167)
	Income from fees for entrusted fund management and entrusted cash flow management	-	1,566,380
	Interest expenses on deposits and borrowings	(1,507,424,438)	-
Subsidiaries of major shareholders	Income from fees for entrusted fund management and entrusted cash flow management	-	20,988
	Interest expenses for entrusted fund management and entrusted cash flow management	-	(38,005)
	Income from consulting and guarantee fees	-	14,166,667
	Interest expenses from valuable paper issued	(756,164,383)	(4,285,712,334)
	Interest expenses on deposits and borrowings	(5,553,425)	-

34. Concentration of assets, liabilities and off-balance sheet items by geographical segments

As at 31 December 2022

	Total outstanding loans - gross VND	Deposits and loans to the SBV and other CIs - gross VND	Deposits and borrowings from other CIs and customers VND	Trading and investment in securities - gross VND	Valuable paper issued VND	Off-balance sheet items VND
Domestic	4,418,438,448,310	1,065,299,539,864	1,695,117,939,248	622,200,000,000	3,693,200,000,000	4,963,635,151,790

As at 31 December 2021

	Total outstanding loans - gross VND	Deposits and loans to the SBV and other CIs - gross VND	Deposits and borrowings from other CIs and customers VND (Reclassified)	Trading and investment in securities - gross VND	Valuable paper issued VND (Reclassified)	Off-balance sheet items VND
Domestic	3,548,202,405,999	351,137,921,927	1,274,830,780,894	1,829,290,465,530	3,871,400,000,000	4,901,441,935,997

35. Credit risk

Credit risk is the possibility of losses in the operation of credit institutions when their clients do not or cannot fulfil their obligations as committed. The Company has established a credit quality review process to provide early identification of changes in financial position, repayment capacity of counterparties based on qualitative and quantitative factors. Counterparty limits are established using a credit risk classification system, which assigns each counterparty a risk rating. Risk ratings are subject to regular revision.

The maximum risk rating is exclusive of collaterals or credit risk mitigation measures.

The table below presents the worst case with the maximum level of loss of the Company, exclusive of collaterals held or credit risk mitigation measures.

The assets that are neither past due nor requiring allowance include Group 1 debts in accordance with Circular 11; securities receivables and other assets that are not past due and require no allowance. The Company assesses that it is able to fully and promptly recover these financial assets in the future.

The assets that are overdue but not requiring allowance is due to the fact that the Company is holding sufficient collaterals to compensate potential credit losses in accordance with relevant regulations of the State Bank of Vietnam.

The Company is currently holding collaterals in the form of real estate, movable assets, valuable papers and others for the above financial assets. The Company has not been able to determine the fair value of such assets due to the lack of specific guidance and necessary market information.

The maximum risk exposure for each group of assets which is equal to the carrying value (excluding allowance) of that group of assets in the statement of financial position is presented as follows:

As at 31 December 2022

	Overdue but not impaired		Total VND
	Neither past due nor impaired VND	Overdue and allowance already provided VND	
Balances with the SBV	300,818,393	-	300,818,393
Deposits with and loans to other CIs	1,064,998,721,471	-	1,064,998,721,471
Loans to customers	3,390,767,380,764	1,196,560,000	4,418,438,448,310
Available-for-sale investment securities	360,000,000,000	-	360,000,000,000
Held-to-maturity investment securities	262,200,000,000	-	262,200,000,000
Other financial assets	150,882,895,567	7,840,676,385	158,723,571,952
	5,229,149,816,195	1,196,560,000	6,264,661,560,126

As at 31 December 2021

	Overdue but not impaired		Total VND
	Neither past due nor impaired VND	Overdue and allowance already provided VND	
Balances with the SBV	252,417,115	-	252,417,115
Deposits with and loans to other CIs	350,885,504,812	-	350,885,504,812
Trading securities	539,088,744,600	-	539,088,744,600
Loans to customers	2,689,082,410,146	1,196,560,000	3,548,202,405,999
Available-for-sale investment securities	1,009,000,000,000	-	1,009,000,000,000
Held-to-maturity investment securities	281,201,720,930	-	281,201,720,930
Other financial assets	181,655,354,769	16,355,577,320	198,010,932,089
	5,051,166,152,372	1,196,560,000	5,926,641,725,545

Details for collaterals held by the Company at the end of the years as follows:

	31/12/2022 VND	31/12/2021 VND
Real estates	52,652,300,000	40,710,180,000
Machines and equipment	14,870,195,500	14,870,195,500
Means of transportation	40,590,676,250	39,500,084,250
Corporate shares	9,900,000,000	9,900,000,000
Valuable papers	40,000,000,000	50,000,000,000
Others	5,682,846,000	5,682,846,000
	<u>163,696,017,750</u>	<u>160,663,305,750</u>

36. Liquidity risk

Liquidity risk is the risk where the Company has difficulty in meeting its payment obligations. Liquidity risk occurs when the Company might be unable to meet its payment obligations when they fall due under both normal and stress circumstances. To limit this risk, the Company has arranged for diversified funding sources in addition to its core deposit base, and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a daily basis. The Company has also assessed the expected cash flows and the availability of current collaterals if additional funding is required.

The maturity term of assets and liabilities represents the remaining period from the reporting date to the maturity date agreed in the contracts or in the terms and conditions of issuance.

The following assumptions and conditions have been adopted in the analysis of the Company's maturity relating to its assets and liabilities:

- Balance with the State Bank of Vietnam is classified as current deposits including the required reserve, which is determined upon the composition and maturity of the Company's customer deposits.
- The maturity term of investment securities and securities held for trading is based on the maturity date of each type of securities.
- The maturity term of deposits with and loans to other CIs and loans to customers is based on the contractual maturity date. The actual settlement date sometimes varies contractual maturity date when the contract is extended.
- The maturity term of other long-term investments is considered to be more than one year as these investments have indefinite maturity.
- Deposits and borrowings from other CIs and deposits from customers are determined based on the nature of these amounts or their contractual maturity dates. Transactions on current deposit accounts from other CIs and customers are made upon customer's request and therefore are classified as current. The maturity terms of loans and term deposits are determined based on their contractual maturity dates. In reality, these may be revolved and therefore maintained for a longer period than their initial maturity term.

The maturity terms of fixed assets are determined based on their remaining useful life.

	Overdue					Not past due				Total VND
	Overdue more than 3 months VND	Overdue less than 3 months VND	Up to 1 month VND	From above 1 to 3 months VND	From above 3 to 12 months VND	From above 1 to 5 years VND	Over 5 years VND			
Assets										
Balances with the SBV	-	-	300,818,393	-	-	-	-	-	-	300,818,393
Deposits with and loans to other CIs - gross	-	-	1,064,998,721,471	-	-	-	-	-	-	1,064,998,721,471
Loans to customers - gross	473,758,159,845	502,342,889,227	51,311,542,274	-	53,930,460,514	3,321,102,259,527	15,993,136,923	4,418,438,448,310		
Investment securities - gross	-	-	-	-	40,200,000,000	222,000,000,000	360,000,000,000	622,200,000,000		
Long-term investments - gross	-	-	-	-	-	-	14,509,062,700	14,509,062,700		
Fixed assets - net	-	-	520,430	237,084,754	216,526,585	41,069,855,459	10,156,164,929	51,680,152,157		
Other assets - gross	7,840,676,385	-	10,827,607,114	96,873,398,372	36,732,579,919	551,760,871,081	-	704,035,132,871		
	481,598,836,230	502,342,889,227	1,127,439,209,682	97,110,483,126	131,079,567,018	4,135,932,986,067	400,658,364,552	6,876,162,355,902		
Liabilities										
Deposits and borrowings from other CIs	-	-	739,000,000,000	375,000,000,000	160,000,000,000	-	-	1,274,000,000,000		
Deposits from customers	-	-	93,940,734,728	221,106,424	227,846,165,905	98,809,932,191	300,000,000	421,117,939,248		
Valuable papers issued	-	-	420,500,000,000	918,700,000,000	2,249,000,000,000	105,000,000,000	-	3,693,200,000,000		
Other liabilities	-	-	27,746,574,394	21,099,700,711	221,567,578,479	16,391,161,570	1,822,583,000	288,627,598,154		
	-	-	1,281,187,309,122	1,315,020,807,135	2,858,413,744,384	220,201,093,761	2,122,583,000	5,676,945,537,402		
Net liquidity gap	-481,598,836,230	502,342,889,227	(153,748,099,440)	(1,217,910,324,009)	(2,727,334,177,366)	3,915,731,892,306	398,535,781,552	1,199,216,798,500		

As at 31 December 2021 (Reclassified)	Overdue		Not past due				Total VND
	Overdue more than 3 months VND	Overdue less than 3 months VND	Up to 1 month VND	From above 1 to 3 months VND	From above 3 to 12 months VND	From above 1 to 5 years VND	
Assets							
Balances with the SBV	-	-	252,417,115	-	-	-	252,417,115
Deposits with and loans to other CIs - gross	-	-	350,885,504,812	-	-	-	350,885,504,812
Trading securities - gross	-	-	-	-	180,414,246,600	358,674,498,000	539,088,744,600
Loans to customers - gross	203,421,462,859	656,026,360,836	4,821,138,380	789,469,066	3,500,000,000	2,666,003,052,830	13,640,922,028
Investment securities - gross	-	-	-	-	19,001,720,930	607,200,000,000	664,000,000,000
Long-term investments - gross	-	-	-	-	-	-	14,509,062,700
Fixed assets - net	-	-	1,138,027,959	611,323,810	706,216,398	37,178,665,627	45,892,840,975
Other assets - gross	16,355,577,320	-	7,914,062,814	110,308,569,258	56,144,894,860	511,629,818,699	702,352,922,951
	219,777,040,179	656,026,360,836	365,011,151,080	111,709,362,134	259,767,078,788	4,180,686,035,156	6,491,385,620,082
Liabilities							
Deposits and borrowings from other CIs	-	-	860,000,000,000	150,000,000,000	100,000,000,000	-	1,110,000,000,000
Deposits from customers	-	-	34,042,597,877	20,207,172,603	31,521,720,930	79,059,289,484	164,830,780,894
Valuable papers issued	-	-	267,500,000,000	532,300,000,000	1,545,000,000,000	1,526,600,000,000	3,871,400,000,000
Other liabilities	-	-	75,252,519,655	28,328,365,092	155,922,512,655	17,553,842,588	278,879,822,990
	-	-	1,236,795,117,532	730,835,537,695	1,832,444,233,585	1,623,213,132,072	5,425,110,603,884
Net liquidity gap	219,777,040,179	656,026,360,836	(871,783,966,452)	(619,126,175,561)	(1,572,677,154,797)	2,557,472,903,084	1,066,275,016,198

37. Market risks

(a) Interest rate risk

Analysis of assets and liabilities by interest rate repricing period

The repricing period of interest rate is the remaining period from the reporting date to the nearest repricing date of interest rate applicable to assets and resources.

The following assumptions and conditions have been adopted in analysis of interest rate repricing period of the Company's assets and liabilities:

- Cash on hand, gold, silver and gemstones; long-term equity investments and other assets (including fixed assets, investment property and other assets) which are classified as non-interest bearing items;
- Balances with the SBV are classified as current accounts. Therefore, the interest rate repricing period is classified as up to one month;
- The effective interest rate repricing period of deposits with and loans to other CIs; loans to customers; amounts due to the Government and SBV; Deposits and borrowings from other CIs; and deposits from customers is determined as follows:
 - ✓ Items with fixed interest rate during the contractual term: The interest rate repricing period is based on the actual maturity date subsequent to the reporting date;
 - ✓ Items with floating interest rate: The interest rate repricing period is based on the latest repricing period subsequent to the reporting date.
- The interest rate repricing period of other liabilities is designated as 1 to 3 months. In reality, these items may have different interest rate repricing periods.

VietCredit Finance Joint Stock Company
Level 17, MIPEC Tower
No. 229 Tay Son, Dong Da District, Hanoi
Notes to the financial statements for the year ended 31 December 2022 (continued)

As at 31 December 2022	Overdue VND	Free of interest VND	Up to 1 month VND	From 1 to 3 months VND	From above 3 months to 6 months VND	From 6 to 12 months VND	From above 1 year to 5 years VND	Over 5 years VND	Total VND
Assets									
Balances with the SBV	-	-	300,818,393	-	-	-	-	-	300,818,393
Deposits with and loans to other CIs - gross	-	-	1,064,998,721,471	-	-	-	-	-	1,064,998,721,471
Loans to customers - gross	976,101,049,072	-	51,311,542,274	-	9,992,018,175	43,938,442,339	3,321,102,259,527	15,993,136,923	4,418,438,448,310
Investment securities - gross	-	222,000,000,000	-	-	-	40,200,000,000	-	360,000,000,000	622,200,000,000
Long-term investments - gross	-	14,509,062,700	-	-	-	-	-	-	14,509,062,700
Fixed assets - net	-	51,680,152,157	-	-	-	-	-	-	51,680,152,157
Other assets - gross	7,840,676,385	696,194,456,486	-	-	-	-	-	-	704,035,132,871
	983,941,725,457	984,383,671,343	1,116,611,082,138	-	9,992,018,175	84,138,442,339	3,321,102,259,527	375,993,136,923	6,876,162,335,902
Liabilities									
Deposits and borrowings from other CIs	-	-	739,000,000,000	375,000,000,000	145,000,000,000	15,000,000,000	-	-	1,274,000,000,000
Deposits from customers	-	421,117,939,248	-	-	-	-	-	-	421,117,939,248
Valuable papers issued	-	-	420,500,000,000	918,700,000,000	1,802,000,000,000	447,000,000,000	105,000,000,000	-	3,693,200,000,000
Other liabilities	-	288,627,598,154	-	-	-	-	-	-	288,627,598,154
	-	709,745,537,402	1,159,500,000,000	1,293,700,000,000	1,947,000,000,000	462,000,000,000	105,000,000,000	-	5,676,945,537,402
Interest sensitivity gap on balance sheet	983,941,725,457	274,638,133,941	(42,888,917,862)	(1,293,700,000,000)	(1,937,007,981,825)	(377,861,557,661)	3,216,102,259,527	375,993,136,923	1,199,216,798,500

Interest rate sensitivity analysis

Due to the inadequacy of the database system and input information, The Company has not conducted any analysis of interest rate sensitivity for the year ended 31 December 2022 and for the year ended 31 December 2021.

(b) Currency risk

Currency risk is the risk that the value of a financial instrument fluctuates due to changes in foreign exchange rates.

The Company was incorporated and operates in Vietnam, with VND as its reporting currency. The principal currency for the Company's transactions is VND and partially in USD. During the year, exchange rate between VND and USD fluctuated significantly; however, the Company's loans to customers were primarily in VND. The Company has established a system of limits to manage currency positions. Currency positions are monitored on a daily basis and hedging strategies are used to ensure currency positions are maintained within established limits.

The classification of assets and liabilities by currency translated into VND as at 31 December 2022 and 31 December 2021 is as follows:

HA
52

Notes to the financial statements for the year ended 31 December 2022 (continued)

As at 31 December 2022 (VND equivalent)	VND	USD	EUR	CHF	JPY	Total
Assets						
Balances with the SBV	300,818,393	-	-	-	-	300,818,393
Deposits with and loans to other CIs	1,063,768,600,219	1,190,694,803	19,908,954	10,008,926	9,508,569	1,064,998,721,471
Loans to customers - gross	4,418,438,448,310	-	-	-	-	4,418,438,448,310
Investment securities - gross	622,200,000,000	-	-	-	-	622,200,000,000
Long-term investments	14,509,062,700	-	-	-	-	14,509,062,700
Fixed assets - net	51,680,152,157	-	-	-	-	51,680,152,157
Other assets	704,035,132,871	-	-	-	-	704,035,132,871
Total assets	6,874,932,214,650	1,190,694,803	19,908,954	10,008,926	9,508,569	6,876,162,335,902
Liabilities						
Deposits and borrowings from other CIs	1,274,000,000,000	-	-	-	-	1,274,000,000,000
Deposits from customers	421,117,939,248	-	-	-	-	421,117,939,248
Valuable papers issued	3,693,200,000,000	-	-	-	-	3,693,200,000,000
Other liabilities	288,626,268,887	-	1,329,267	-	-	288,627,598,154
Total liabilities	5,676,944,208,135	-	1,329,267	-	-	5,676,945,537,402
FX position on balance sheet	1,197,988,006,515	1,190,694,803	18,579,687	10,008,926	9,508,569	1,199,216,798,500

As at 31 December 2021 (VND equivalent) (Reclassified)	VND	USD	EUR	CHF	JPY	Total
Assets						
Balances with the SBV	252,417,115	-	-	-	-	252,417,115
Deposits with and loans to other CIs	346,961,618,811	3,882,083,737	20,448,237	10,477,778	10,876,249	350,885,504,812
Trading securities - gross	539,088,744,600	-	-	-	-	539,088,744,600
Loans to customers - gross	3,548,202,405,999	-	-	-	-	3,548,202,405,999
Investment securities - gross	1,290,201,720,930	-	-	-	-	1,290,201,720,930
Long-term investments	14,509,062,700	-	-	-	-	14,509,062,700
Fixed assets - net	45,892,840,975	-	-	-	-	45,892,840,975
Other assets	702,352,922,951	-	-	-	-	702,352,922,951
Total assets	6,487,461,734,081	3,882,083,737	20,448,237	10,477,778	10,876,249	6,491,385,620,082
Liabilities						
Deposits and borrowings from other CIs	1,110,000,000,000	-	-	-	-	1,110,000,000,000
Deposits from customers	164,830,780,894	-	-	-	-	164,830,780,894
Valuable papers issued	3,871,400,000,000	-	-	-	-	3,871,400,000,000
Other liabilities	278,878,476,521	-	1,346,469	-	-	278,879,822,990
Total liabilities	5,425,109,257,415	-	1,346,469	-	-	5,425,110,603,884
FX position on balance sheet	1,062,352,476,666	3,882,083,737	19,101,768	10,477,778	10,876,249	1,066,275,016,198

Sensitivity of foreign exchange rate

The table below provides the effects on profit or loss and owner's equity for the year ended 31 December 2022 and the year ended 31 December 2021 of the Company (with the assumption that all other variables, interest rates, remain constant) when VND weakened by 1% against USD.

Currency	Effect on profit or loss	Effect on owner's equity
	VND million	VND million
Year ended 31 December 2022		
USD	11,906,948	9,525,558
Year ended 31 December 2021		
USD	38,820,837	31,056,670

38. Fair value disclosure

Circular No. 210/2009/TT-BTC of the Ministry of Finance dated 6 November 2009 ("Circular 210") only regulates the presentation and disclosure of financial instruments. Therefore, the following terms stated in Note 3(bb) are adopted for Note 38 to the financial statements. Assets and liabilities of the Company are recognised in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System applicable to credit institutions issued by the SBV and the relevant statutory requirements applicable to financial reporting.

Financial assets

Under Circular 210, the Company's financial assets include cash on hand, gold, silver and gemstones, deposits with the SBV and other CIs, held-for-trading securities, loans to other credit institutions, loans to customers, investment securities and derivative instruments. For disclosures in the financial statements, financial assets within the scope of Circular 210 are classified in accordance with accounting policies stated in Note 3(bb)(i).

Financial liabilities

According to Circular 210, the Company's financial liabilities include amounts due to the Government and the SBV, deposits and borrowings from other CIs, deposits from customers, derivatives and other financial liabilities, valuable papers issued, and other financial liabilities. For disclosures in the financial statements, financial liabilities within the scope of Circular 210 are classified in accordance with accounting policies stated in Note 3(bb)(ii).

The following table presents the carrying amounts and fair values of the Company's assets and liabilities as at 31 December 2022 and 31 December 2021:

As at 31 December 2022	Held-to-maturity VND	Loans and receivables VND	Carrying amount Available-for- sale VND	Measured at amortised cost VND	Total carrying amount VND	Fair value VND
Financial assets						
Balances with the SBV	-	300,818,393	-	-	300,818,393	300,818,393
Deposits with and loans to other CIs	-	1,064,998,721,471	-	-	1,064,998,721,471	(*)
Loans to customers – gross	-	4,418,438,448,310	-	-	4,418,438,448,310	(*)
Investment securities – gross	262,200,000,000	-	360,000,000,000	-	622,200,000,000	(*)
Long-term investments	-	-	14,509,062,700	-	14,509,062,700	(*)
Other financial assets	-	158,723,571,952	-	-	158,723,571,952	(*)
	262,200,000,000	5,642,461,560,126	374,509,062,700	-	6,279,170,622,826	
Financial liabilities						
Deposits and borrowings from other CIs	-	-	-	1,274,000,000,000	1,274,000,000,000	(*)
Deposits from customers	-	-	-	421,117,939,248	421,117,939,248	(*)
Valuable papers issued	-	-	-	3,693,200,000,000	3,693,200,000,000	(*)
Other financial liabilities	-	-	-	288,627,598,154	288,627,598,154	(*)
	-	-	-	5,676,945,537,402	5,676,945,537,402	

(*) The Company has not determined fair values of these financial instruments for disclosure in the financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements. The fair values of these financial instruments may differ from their carrying amounts.

VietCredit Finance Joint Stock Company
Level 17, MIPEC Tower
No. 229 Tay Son, Dong Da District, Hanoi
Notes to the financial statements for the year ended 31 December 2022 (continued)

As at 31 December 2021 (Reclassified)	Measured at fair value through profit or loss VND	Held-to-maturity VND	Loans and receivables VND	Available-for-sale VND	Measured at amortised cost VND	Total carrying amount VND	Fair value VND
Financial assets							
Balances with the SBV	-	-	252,417,115	-	-	252,417,115	252,417,115
Deposits with and loans to other CIs	-	-	350,885,504,812	-	-	350,885,504,812	(*)
Trading securities – gross	539,088,744,600	-	-	-	-	539,088,744,600	(*)
Loans to customers – gross	-	-	3,548,202,405,999	-	-	3,548,202,405,999	(*)
Investment securities – gross	-	281,201,720,930	-	1,009,000,000,000	-	1,290,201,720,930	(*)
Long-term investments	-	-	-	14,509,062,700	-	14,509,062,700	(*)
Other financial assets	-	-	198,010,932,089	-	-	198,010,932,089	(*)
	539,088,744,600	281,201,720,930	4,097,351,260,015	1,023,509,062,700	-	5,941,150,788,245	
Financial liabilities							
Deposits and borrowings from other CIs	-	-	-	-	1,110,000,000,000	1,110,000,000,000	(*)
Deposits from customers	-	-	-	-	164,830,780,894	164,830,780,894	(*)
Valuable papers issued	-	-	-	-	3,871,400,000,000	3,871,400,000,000	(*)
Other financial liabilities	-	-	-	-	278,875,822,990	278,875,822,990	(*)
	-	-	-	-	5,425,106,603,884	5,425,106,603,884	

(*) The Company has not determined fair values of these financial instruments for disclosure in the financial statements because information about their market prices is not available and there is currently no guidance on determination of fair value using valuation techniques under Vietnamese Accounting Standards or the Vietnamese Accounting System applicable to credit institutions issued by the State Bank of Vietnam and the relevant statutory requirements. The fair values of these financial instruments may differ from their carrying amounts.

39. Lease commitments

At the reporting date, the future minimum lease payments under non-cancellable operating leases were as follows:

	31/12/2022 VND	31/12/2021 VND
Within one year	26,200,096,466	40,751,248,306
More than one year to five years	23,014,313,888	15,833,005,959
	49,214,410,354	56,584,254,265

40. Comparative information

Certain comparative items have been reclassified to conform with the current year's presentation. A comparison of the amounts previously reported and as reclassified is as follows:

Statement of financial position

	31/12/2021 VND (As reclassified)	31/12/2021 VND (As previously reported)
Deposits from customers	164,830,780,894	70,868,542,466
Other borrowed and entrusted funds	-	93,962,238,428

Statement of cash flows

	2021 VND (As reclassified)	2021 VND (As previously reported)
Increase in deposits from customers	25,665,330,364	39,968,542,466
Decrease in other borrowed and entrusted funds	-	(14,303,212,102)

