



INDOVINA BANK LIMITED

(Incorporated in the Socialist Republic of Vietnam)

AUDITED FINANCIAL STATEMENTS

For the year ended 31 December 2020

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INDOVINA BANK LIMITED

97A Nguyen Van Troi Street, Ward 12
Phu Nhuan District, Ho Chi Minh City, S.R. Vietnam

STATEMENT OF THE BOARD OF EXECUTIVES

The Board of Executives of Indovina Bank Limited (the "Bank") presents this report together with the Bank's financial statements for the year ended 31 December 2020.

BOARD OF MEMBERS AND THE BOARD OF EXECUTIVES

The Board of Members and the Board of Executives of the Bank who held office during the year and at the date of this report are as follows:

Board of Members

Mr. Le Duy Hai	Chairman
Mr. Lee Ming-Hsien	Vice Chairman
Mr. Jan Yei-Fong	Member
Mr. Liu Chun Hao	Member
Ms. Pham Bao Khue	Member (appointed on 03 June 2020)
Ms. Tran Thi Hong Anh	Member (appointed on 03 June 2020)
Mr. Le Van Phu	Member (resigned on 03 June 2020)
Ms. Nguyen Thu Hang	Member (resigned on 03 June 2020)

Board of Executives

Mr. Liu Chun Hao	General Director
Mr. Le Van Phu	First Deputy General Director
Mr. Chang Tsung Cheng	Deputy General Director

THE BOARD OF EXECUTIVES' STATEMENT OF RESPONSIBILITY

The Board of Executives of the Bank is responsible for preparing the financial statements, which give a true and fair view of the financial position of the Bank as at 31 December 2020, and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for credit institutions and legal regulations relating to financial reporting. In preparing these financial statements, the Board of Executives is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business, and
- design and implement an effective internal control system for the purpose of properly preparing the financial statements so as to minimize errors and frauds.

The Board of Executives is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Bank that the financial statements comply with Vietnamese Accounting Standards, accounting regime for credit institutions and legal regulations relating to financial reporting. The Board of Executives is also responsible for safeguarding the assets of the Bank and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Executives confirms that the Bank has complied with the above requirements in preparing and presenting these financial statements.

For and on behalf of the Board of Executives,



Liu Chun Hao
General Director
12 March 2021

No.: 0329 /VN1A-HC-BC

INDEPENDENT AUDITORS' REPORT

**To: Board of Members and Board of Executives
Indovina Bank Limited**

We have audited the accompanying financial statements of Indovina Bank Limited (the "Bank") prepared on 12 March 2021 as set out from page 4 to page 51, which comprise the balance sheet as at 31 December 2020 and the statement of income and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

The Board of Executives Responsibility for the Financial Statements

The Board of Executives is responsible for the preparation and fair presentation of these financial statements in accordance with Vietnamese Accounting Standards, accounting regime for credit institutions and legal regulations relating to financial reporting and for such internal control as the Board of Executives determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these 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 from 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 auditors' judgment, 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 auditors consider internal control relevant to the Bank'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 Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Executives, 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.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the Bank as at 31 December 2020 and its financial performance and its cash flows for the year then ended in accordance with Vietnamese Accounting Standards, accounting regime for credit institutions and legal regulations relating to financial reporting.

INDEPENDENT AUDITORS' REPORT (Continued)

Other matter

Our audits also comprehended the translation of United States Dollar ("USD") amounts into Vietnam Dong ("VND") amounts and, in our opinion, such translation has been made in conformity with the basis stated in Note 2.2. Such Vietnam Dong amounts are solely presented for reporting to the relevant authorities and in compliance with the State Bank of Vietnam regulations, therefore, may not be suitable for another purpose.



Vo Thai Hoa
Audit Partner
Audit Practising Registration Certificate
No. 0138-2018-001-1
BRANCH OF DELOITTE VIETNAM COMPANY LIMITED
12 March 2021
Ho Chi Minh City, S.R. Vietnam

Ton That Tien
Auditor
Audit Practising Registration Certificate
No. 4326-2018-001-1

BALANCE SHEET

As at 31 December 2020

Assets	Notes	Closing balance		Opening balance	
		USD	VND million	USD	VND million
Cash on hand	5	8,390,747	193,784	8,982,154	208,161
Deposits with the State Bank of Vietnam	6	55,655,159	1,285,356	76,067,707	1,762,869
Deposits with other credit institutions	7	58,099,019	1,341,797	320,659,348	7,431,280
Lending to other credit institutions	8	127,102,694	2,935,437	66,807,443	1,548,262
Trading securities	9	354,902,659	8,196,477	291,344,133	6,751,901
<i>Trading securities</i>		355,277,142	8,205,126	291,616,122	6,758,204
<i>Provision for trading securities</i>		(374,483)	(8,649)	(271,989)	(6,303)
Loans to customers	10	1,425,885,924	32,930,836	1,282,629,782	29,724,946
<i>Loan to customer</i>		1,451,341,017	33,518,721	1,307,821,561	30,308,765
<i>Provision for loan losses</i>		(25,455,093)	(587,885)	(25,191,779)	(583,819)
Investment securities	11	237,566,513	5,486,599	216,296,483	5,012,671
<i>Available-for-sale securities</i>		238,146,427	5,499,992	195,251,070	4,524,944
<i>Held-to-maturity securities</i>		-	-	21,559,663	499,645
<i>Provision for investment securities</i>		(579,914)	(13,393)	(514,250)	(11,918)
Tangible fixed assets	12	9,513,728	219,720	9,299,752	215,522
Intangible assets	13	16,482,112	380,654	15,786,888	365,861
Other assets		21,628,601	499,511	25,430,886	589,361
<i>Other receivables</i>	14	3,143,677	72,603	4,804,883	111,354
<i>Accrued interest receivables</i>		14,695,405	339,390	15,661,809	362,962
<i>Deferred tax assets</i>		2,547,629	58,837	2,542,476	58,922
<i>Other assets</i>	15	3,168,610	73,179	2,421,718	56,123
<i>Provision for impairment of other receivables</i>	14	(1,926,720)	(44,498)	-	-
Total assets		2,315,227,156	53,470,171	2,313,304,576	53,610,834
Resources					
Deposits from other credit institutions	16	85,102,666	1,965,446	298,612,620	6,920,347
Borrowings from other credit institutions	17	4,107,860	94,871	258,051,265	5,980,338
Deposits from customers	18	1,716,372,361	39,639,620	1,356,688,393	31,441,254
Derivatives and other financial liabilities	19	2,498,741	57,708	5,971,183	138,382
Valuable papers issued	20	176,098,723	4,067,000	78,181,701	1,811,861
Other liabilities		61,369,905	1,417,338	55,341,501	1,282,540
<i>Accrued interest payables</i>		36,271,368	837,687	26,077,074	604,336
<i>Other payables</i>	21	25,098,537	579,651	29,264,427	678,204
Equity and reserves	22	269,676,900	6,228,188	260,457,913	6,036,112
<i>Charter capital</i>		193,000,000	3,377,500	193,000,000	3,377,500
<i>Foreign exchange difference</i>		-	1,108,919	-	1,126,777
<i>Reserves</i>		42,952,332	957,526	37,298,204	826,011
<i>Retained earnings</i>		33,724,568	784,243	30,159,709	705,824
Total resources		2,315,227,156	53,470,171	2,313,304,576	53,610,834

The accompanying notes are an integral part of these financial statements

OFF-BALANCE SHEET ACCOUNTS

As at 31 December 2020

	Notes	Closing balance		Opening balance	
		USD	VND million equivalent	USD	VND million equivalent
Commitment on borrowing guarantee	38	279,879	6,464	-	-
Foreign exchange commitments	38	361,574,323	8,350,559	911,660,579	21,127,734
Currency spot purchase commitment		3,003,247	69,360	51,866,865	1,202,015
Currency spot sale commitment		3,000,000	69,285	50,793,843	1,177,147
Currency swap commitment		355,571,076	8,211,914	808,999,871	18,748,572
Irrevocable loan commitment	38	24,160	558	-	-
Letters of credit	38	34,127,843	788,183	21,996,095	509,760
Other guarantess	38	46,150,844	1,065,854	45,848,142	1,062,531
		442,157,049	10,211,618	979,504,816	22,700,025



Huynh Thanh Trung
Preparer



Tran Le Thuy
Chief Accountant



Lưu Chun Hao
General Director
12 March 2021



INCOME STATEMENT

For the year ended 31 December 2020

	Notes	Current year		Prior year (Reclassification)	
		VND million		VND million	
		USD	equivalent	USD	equivalent
1. Interest and similar income	23	146,517,528	3,405,392	147,669,286	3,430,035
2. Interest expense and similar charges	24	(85,884,805)	(1,996,320)	(77,112,468)	(1,791,352)
I. Net interest and similar income		60,632,723	1,409,072	70,556,818	1,638,683
1. Fee and commission income		4,213,334	97,911	4,353,768	101,125
2. Fee and commission expense		(1,443,940)	(33,556)	(1,655,385)	(38,445)
II. Net fee and commission income	25	2,769,394	64,355	2,698,383	62,680
III. Net loss from dealing in foreign currencies	26	(96,328)	(2,565)	(4,888,198)	(113,462)
IV. Net gain from trading of securities	27	12,955,945	301,185	8,662,616	201,281
V. Net gain from trading of investment securities	28	202,728	4,649	1,013,574	23,488
1. Other operating income		1,576,079	36,587	1,102,829	25,587
2. Other operating expenses		(34,237)	(800)	(2,195)	(51)
VI. Gain from other activities	29	1,541,842	35,787	1,100,634	25,536
VII. General and administration expenses	30	(25,718,915)	(597,469)	(24,502,024)	(569,360)
VIII. Net income before provision for credit losses		52,287,389	1,215,014	54,641,803	1,268,846
IX. Provision for credit losses	10	(3,313,710)	(77,534)	(10,989,863)	(254,704)
X. Profit before tax		48,973,679	1,137,480	43,651,940	1,014,142
XI. Current corporate income tax expense	31	(9,984,846)	(230,600)	(10,378,810)	(240,529)
XII. Deferred corporate income tax	31	5,154	119	1,344,410	31,157
XIII. Profit after tax		38,993,987	906,999	34,617,540	804,770


 Huynh Thanh Trung
 Preparer


 Tran Le Thuy
 Chief Accountant


 M.S.D.N: 0300733752-L.D.N. NG
 NGÂN HÀNG
 TRÁCH NHIỆM HỮU HẠN
 INDOVINA
 Q. PHÚ NHUẬN - T. PH. HCM
 Lio Chun Hao
 General Director
 12 March 2021

CASH FLOW STATEMENT

For the year ended 31 December 2020

(Under direct method)

	Current year		Prior year (Reclassification)	
	USD	VND million equivalent	USD	VND million equivalent
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest and similar income received	147,483,932	3,428,964	145,455,605	3,379,355
Interest expense and similar charges paid	(75,690,511)	(1,762,969)	(73,318,622)	(1,704,449)
Fee and commission income received	2,769,394	64,355	2,698,383	62,680
Net gain on trading activities (foreign currencies and securities)	12,940,069	300,541	5,124,569	107,390
Receipts from other activities	293,976	6,836	238,390	5,536
Collections of bad debt previously written off	1,199,308	27,824	774,894	17,971
Cash paid to employees and related operating activities	(22,741,274)	(528,953)	(22,701,003)	(527,743)
Corporate income tax paid	(10,734,174)	(247,906)	(7,280,074)	(168,716)
CASH FLOWS FROM OPERATING ACTIVITIES BEFORE CHANGES IN OPERATING ASSETS AND LIABILITIES	55,520,720	1,288,692	50,992,142	1,172,024
Changes in operating assets				
Changes in deposits with and loans to other credit institutions	(60,295,251)	(1,387,175)	35,685,108	831,615
Changes in trading securities	(84,996,714)	(1,922,484)	(36,956,183)	(835,243)
Changes in loans to customers	(143,519,456)	(3,209,956)	(123,344,467)	(2,805,207)
Changes in derivatives and other financial assets	-	-	-	-
Utilisation of allowance for credit losses	(3,050,396)	(70,449)	(11,642,636)	(270,141)
Changes in other operating assets	914,315	21,899	(1,848,827)	(42,551)
Changes in operating liabilities				
Change in borrowings from the government and the SBV	-	-	(20,037,168)	(465,263)
Changes in deposits and borrowings from other credit institutions	(467,453,360)	(10,840,368)	21,466,157	473,394
Changes in deposits from customers	359,683,968	8,198,366	88,159,864	1,986,022
Changes in issuing valuable papers	97,917,022	2,255,139	78,181,701	1,811,861
Changes in derivatives and other financial liabilities	(3,472,442)	(80,674)	4,493,289	104,065
Utilisation of reserves	-	-	-	-
Changes in other liabilities	(3,328,254)	(79,085)	20,772,068	493,200
Net cash from operating activities	(252,079,848)	(5,826,095)	105,921,048	2,453,776

The accompanying notes are an integral part of these financial statements

CASH FLOW STATEMENT (Continued)

For the year ended 31 December 2020

(Under direct method)

	Current year		Prior year (Reclassification)	
	USD	VND million equivalent	USD	VND million equivalent
CASH FLOW USED IN INVESTMENT ACTIVITIES				
1. Acquisition of fixed assets	(2,323,428)	(51,652)	(1,775,582)	(40,040)
2. Disposal of fixed assets	48,558	1,127	87,350	2,029
Net cash used in investment activities	(2,274,870)	(50,525)	(1,688,232)	(38,011)
CASH FLOW USED IN FINANCING ACTIVITIES				
1. Dividends paid	(29,500,000)	(695,256)	(25,500,000)	(596,573)
Net cash used in financing activities	(29,500,000)	(695,256)	(25,500,000)	(596,573)
Net increase in cash and cash equivalents	(283,854,718)	(6,571,876)	78,732,816	1,819,192
Cash and cash equivalents at the beginning of the year	405,709,209	9,402,310	327,481,636	7,604,123
Effects of changes in foreign exchange rate	290,434	(9,497)	(505,243)	(21,005)
Cash and cash equivalents at the end of the year (Note 32)	122,144,925	2,820,937	405,709,209	9,402,310
In which:				
Cash on hand	8,390,747	193,784	8,982,154	208,161
Deposits with the State Bank of Vietnam	55,655,159	1,285,356	76,067,707	1,762,869
Deposits with other credit institutions (with terms of 3 months or less)	58,099,019	1,341,797	320,659,348	7,431,280
	122,144,925	2,820,937	405,709,209	9,402,310



Huynh Thanh Trung
Preparer



Tran Le Thuy
Chief Accountant



Lưu Chun Hao
General Director
12 March 2021

NOTES TO THE FINANCIAL STATEMENTS

These notes are an integral part of and should be read in conjunction with the accompanying financial statement

1. GENERAL INFORMATION

Indovina Bank Limited (the "Bank") was incorporated as a joint venture bank in Vietnam, of Vietnam Joint Stock Commercial Bank for Industry and Trade ("Vietinbank"), a bank incorporated in Vietnam, and Cathay United Bank ("CUB"), a bank incorporated in the Republic of China, under Banking Licence No. 08/NH-GP issued by the Governor of the State Bank of Vietnam ("SBV") on 29 October 1992 for 40 years. The Bank operates under the Business Registration Certificate No. 0300733752 issued by Department of Planning and Investment of Ho Chi Minh City on 11 May 1993, as amended.

According to the Decision No. 158/QD-NHNN dated 25 January 2017 and Banking Licence No. 101/NH-GP dated 11 November 2019 issued by the Governor of the State Bank of Vietnam on the revising of establishment and operation licenses to Indovina Bank Limited, the State Bank of Vietnam ("SBV") has approved to extend the operating period of the Bank to 99 years since 29 October 1992.

Principal activities

The principal activities of the Bank are to carry out banking activities which include mobilizing and receiving short-term, medium and long-term deposits from various organizations and individuals; lending short-term, medium and long-term loans to various organizations and individuals up to the nature and ability of the Bank's capital resources; conducting foreign currency transactions, international commercial service, discounting of commercial notes, bonds and valuable papers; issuing certificates of deposit, promissory notes, bills and bonds to mobilize in accordance with Law on credit institutions, the Securities Law, the Government regulations and the SBV's guidance; borrowing from the SBV in the form of refinancing under the Law on the State Bank of Vietnam and the SBV's guidance; providing settlement services between customers; and other banking services as approved by the State Bank of Vietnam.

Location and Networks

The Bank's Head Office is located at 97A Nguyen Van Troi Street, Ward 12, Phu Nhuan District, Ho Chi Minh City, Vietnam. As at 31 December 2020 and 2019, the Bank had one (1) Head Office, thirteen (13) branches, nineteen (19) transaction offices located in cities and provinces in Vietnam.

The number of the Bank's employees as at 31 December 2020 was 815 (31 December 2019: 819).

Characteristics of the business activities in the fiscal year which have impact on the financial statements

The spread of the epidemic caused by the new Corona virus strain ("Covid-19") has been affecting the global and domestic economy. The Bank's business activities are also indirectly impacted by the uncertain developments of the Covid-19 epidemic in Vietnam. The Board of Executives have assessed the impact of Covid-19 on the financial situation and business activities and kept track of the Government's support policies to take all appropriate measures to minimize the negative impact of the epidemic on the Bank's operations during the operation period. The Board of Executives also believes that Covid-19 does not have material effect on its business activities during the year as well as does not affect the Bank's ability to continue to operate as a going concern.

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2. ACCOUNTING CONVENTION AND FINANCIAL YEAR

2.1 Accounting convention

The accompanying financial statements, expressed in United States Dollar ("USD"), are prepared under the historical cost convention and in accordance with Vietnamese Accounting Standards, accounting regime for credit institutions and legal regulations relating to financial reporting. The Bank's financial statements have been measured in USD as registered and approved by the State Bank of Vietnam according to the Official Letter No. 635/CV-NHNN2 dated 12 July 1999. The Board of Executives believes that the use of USD is necessary in order to reflect the economic substance of the underlying events and circumstances relevant to the Bank's business operations.

The accompanying financial statements are not intended to present the financial position, the statement of income and the statement of cash flows in accordance with accounting principles and practices generally accepted in countries and jurisdictions other than Vietnam.

2.2 Translation of financial information into Vietnam Dong

The Bank uses USD as functional currency unit. For the purpose of compliance with the regulatory requirements under the guidance of SBV in case the functional currency other than VND, the Bank converted its financial statements prepared in USD into VND, rounded to the nearest million ("VND million"). During the year, the Bank applied the Circular No. 22/2017 / TT-NHNN ("Circular 22") dated 29 December 2017 to translate the financial statements prepared in USD to VND based on the following principles:

- Assets and liabilities are translated into Vietnam Dong at the average spot rate for buying and selling at the balance sheet date;
- Owner's equity (including contributed capital) is translated into Vietnam Dong at the actual exchange rate at the date of capital contribution;
- Retained earnings and funds deducted from retained earnings arising after the investment date are translated into Vietnam Dong by calculating according to the items of the income statement;
- Profits and dividends paid are translated into Vietnam Dong according to the average spot rate for buying and selling of commercial banks where the Bank performs the most transactions in the accounting period at the date of interest and dividend payment;
- Items in the income statement and the cash flow statement are translated into Vietnam Dong at the average spot rate for buying and selling of commercial banks that the Bank performs the most transactions in the accounting period at the date of the transaction.
- Foreign exchange differences arising from the conversion of the financial statements prepared in foreign currencies into Vietnam Dong are presented in the "Foreign exchange difference" under the "Equity" section in the Balance Sheet.

2.3 Financial year

The Bank's financial year begins on 1 January and ends on 31 December.

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3. CHANGE IN ACCOUNTING POLICY AND DISCLOSURES

The accounting policies adopted by the Bank in preparation of the financial statements are consistent with those followed in the preparation of the Bank's financial statements for the year ended 31 December 2019.

The Bank has also applied Circular No. 01/2020/TT-NHNN ("Circular 01") dated 13 March 2020 issued by the State Bank of Vietnam (takes effect from 13 March 2020) providing regulations for credit institutions and foreign banks' branches on debt rescheduling, exemption or reduction of interest and fees, retention of debt category to assist borrowers affected by Covid-19 pandemic to its financial statements for year ended 31 December 2020.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The significant accounting policies, which have been adopted by the Bank in the preparation of these financial statements, are as follows:

Estimates

The preparation of financial statements in conformity with Vietnamese Accounting Standards, accounting applicable for credit institutions and legal regulations relating to financial reporting requires the Board of Executives to make estimates and assumptions that affect the reported amounts of assets, liabilities and disclosures of contingent assets and liabilities at the balance sheet date and the reported amounts of revenues and expenses during the financial year. Although these accounting estimates are based on the Board of Executives' best knowledge, actual results may differ from those estimates.

Financial instruments

Initial recognition

Financial assets: At the date of initial recognition, financial assets are recognized at cost plus transaction costs that are directly attributable to the acquisition of the financial assets. Financial assets of the Bank comprise cash on hand, deposits with the State Bank of Vietnam and other credit institutions, lending to other credit institutions, trading securities, derivatives and other financial assets, loans to customers, investment securities, other receivables and accrued interest receivables.

Financial liabilities: At the date of initial recognition financial liabilities are recognized at cost plus transaction costs that are directly attributable to the issue of the financial liabilities. Financial liabilities of the Bank comprise deposits and borrowings from other credit institutions, deposits from customers, derivatives and other financial liabilities, accrued interest payables and other payables.

Cash and cash equivalents

Cash and cash equivalents comprise cash, gold, gemstones, precious metals, current accounts at the SBV, treasury bills and other short-term valuable papers that are qualified for being discounted at the SBV, current accounts and time deposits for term of three months or less from the deposit date and securities investment with the original maturity of no longer than three months from the transaction date.

Deposits with and loans to other credit institutions

Deposits with and loans to other credit institutions (excluding demand deposits) are stated at the amount of principal outstanding less specific allowance for credit losses. The specific allowance for credit losses (excluding demand deposits) is made similarly as the specific allowance for credit losses for loan and advance to customer as presented bellows.

The Bank is not required to make general allowance for deposits with and loans to other credit institutions in accordance with Circular No. 02/2013/TT-NHNN dated 21 January 2013 ("Circular 02").



Trading securities

Trading securities are debt securities, equity securities and other securities which are principally acquired and held for the purpose of selling in the short-term or if so designated by the Board of Executives.

Trading securities are recognized on a trade date basis and are initially measured at cost including directly attributable transaction costs. At the subsequent financial years, trading securities are measured at cost, less the amount of diminution in value of trading securities.

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

Available-for-sale investment securities

Available-for-sale investment securities include debt and equity securities, which give the Bank power less than 20% of voting right, for the purpose of investment and that are ready for sale; these securities are not frequently traded but could be sold at any time once they are profitable, and the Bank is neither founding shareholder/strategic partner nor capable of controlling, to some extent, the process of initiating and approving financial and operational policies of the investee by a written agreement on delegating personnel to take part in the Board of Directors/Board of Executives.

Available-for-sale equity securities are initially recognised at cost as at the transaction date and subsequently carried at cost.

Available-for-sale debt securities are initially recognised at par value as at the transaction date. Accumulative interest income before the purchasing date (for debt securities with interest paid in arrears) or interest income received upfront awaiting amortisation (for debt securities with interest paid in advance) is recorded in a separate account. Any discount or premium which is the difference between the cost and the amount equal to par value plus (+) accumulative interest income before the purchasing date for debt securities with interest paid in arrears or minus (-) interest income received upfront awaiting amortisation for debt securities with interest paid in advance is also recorded in a separate account.

Subsequently, available-for-sale debt securities are recorded at par value less/plus remaining discount/premium after being amortised to the income statement using the straight-line method over the remaining term of securities. Interest paid in arrears is recorded as follows: accumulative interest income before the purchasing date is recorded as a decrease in value of such securities and the same amount is credited into the accrued interest income; accumulative interest income after the purchasing date is recognised as the Bank's income based on an accrual basis. Interest received upfront is amortised to the income statement using the straight-line method over the investment period.

Periodically, available-for-sale securities will be reviewed for impairment. Provision for impairment risk is recognized in the statement of income into item "Net gain/ (loss) from trading of investment securities".

Gains or losses from available-for-sale securities are recognized in the statement of income on a net basis.

Held-to-maturity investment securities

Held-to-maturity investment securities are debt securities that the Bank purchases for investment purpose in order to gain interest and the Bank has intention and ability to hold the securities until maturity. Held-to-maturity securities have fixed or determinable payments and fixed maturities. In case the securities are sold before maturity, such securities will be reclassified to trading or available-for-sale securities.

Held-to-maturity securities are similarly recorded as available-for-sale securities.

Periodically, held-to-maturity securities will be reviewed for impairment. Provision for impairment risk is recognized in the statement of income into item "Net gain/(loss) from trading of investment securities".

Post-acquisition interest income of held-to-maturity securities is recognized in the income statement on an accruals basis. Pre-acquisition interest income of held-to-maturity securities is deducted against the cost of acquisition.

Provision for impairment in value of trading securities and investment securities

Debt classification and provision for unlisted corporate bonds are made in accordance with Circular 02 and Circular 09 (similar to the loans which are presented within section Loan and Provision for loan losses below).

Provision for diminution in value of other investments including trading securities and other investment securities are made in accordance with Official Letter No. 2601/NHNN-TCKT issued by the State Bank of Vietnam dated 14 April 2009 ("Official Letter 2601") and current prevailing regulations issued by the Ministry of Finance dated. In case that the market value of securities cannot be determined, no provision has made for such securities.

Reclassification

According to Official Letter 2601, reclassification after transaction date is made not more than once time for each group of investment securities. In special cases or in case a large amount of securities has to be reclassified (greater than or equal to 50% total value of the portfolio), the Bank will disclose the effect of reclassification on total assets, liabilities, equity, income and expenses of the Bank in the financial statements.

Loans to customers

Loans are reported at their outstanding principal amounts and are adjusted for any write-offs and provision for loan losses.

Interest income and expenses

The Bank records interest income and expense on an accrual basis. Interest income from non-performing loans or loans are restructured due to application of Circular 01 are not accrued and are recognized on actual collection basis. Interest income is derecognized when a loan becomes overdue or loans are restructured are recorded on the off-balance sheet. Interest income on overdue loan or loans are restructured are recognized in the income statement on receipt.

Recognition of receivables not yet collected

According to Circular No. 16/2018/TT-BTC dated 07 February 2018 issued by the Ministry of Finance, receivables from accrued income subsequently assessed to be unearned or not yet collected at the due date are recorded as reduction in revenue if the income has been accrued in the same financial year/ accounting period or recorded as other expense if accrued in different financial year/ accounting period and monitored in off-balance sheet. Upon actual receipt of these receivables, the Bank recognizes them in "Income from other activities" in the income statement.



Fee and commission income

Fees and commissions including fees received from settlement services, treasury services, fees from guarantees and other services are recognized on an accrual basis.

Provision for loan losses

In accordance with Law of credit institutions No.47/2010/QH12 with effect from 1 January 2011, Circular No. 39/2016/TT-NHNN dated 30 December 2016 issued by the Governor of the State Bank of Vietnam on issuing regulations on lending transactions of credit institutions and/or foreign bank branches with customers, Circular No. 02/2013/TT-NHNN dated 21 January 2013 ("Circular 02") on classification of assets, levels and method of setting up of risk provisions and use of provisions against credit risks in the banking activities of credit institutions, foreign bank branches issued by the Governor of the State Bank of Vietnam and Circular No. 09/2014/TT-NHNN dated 18 March 2014 ("Circular 09") on amending Circular 02 on classification of assets, levels and method of setting up of risk provisions, and use of provisions against credit risks in the banking activities of credit institutions, foreign bank branches issued by the Governor of the State Bank of Vietnam.

The classification and the provision for loan losses under Circular 02 and Circular 09 are made for assets comprising of:

- Loans;
- Financial leases;
- Discounts, rediscounts of negotiable instruments and other valuable papers;
- Factoring;
- Credit issuance under form of credit card issuance;
- Payments on behalf of someone under off-balance sheet commitments;
- Amounts in service for purchase and entrustment of purchase of unlisted corporate bonds on securities market or unregistered on trading market of unlisted public companies (Upcom) (hereinafter referred to as unlisted bonds), excluding purchase of unlisted bonds by entrustment capital sources which the entrusting party bears risks;
- Credit issuance entrustment;
- Deposits (excluding deposits for payment) at domestic credit institutions, foreign bank branches in Vietnam as prescribed by law and deposits at foreign credit institutions.

The Bank implements the classification of debts under quantitative method in accordance with Article 10 of Circular 02. Accordingly, loans to customers are graded using the following risk classifications: *Current*, *Special-mentioned*, *Sub-standard*, *Doubtful* and *Loss* based on the overdue status and other qualitative factors.

Credit risk exposure of loans to customers is calculated by subtracting the determined value of collateral which is subject to certain accepted discount rates in accordance with Circular 02 from the remaining value of loan.

As stated at Note 3, The Bank has also applied regulations on debt rescheduling, exemption or reduction of interest and fees, retention of debt categories as their latest classification before 23 January 2020 for loans that meet the requirements of No. 01/2020/TT-NHNN ("Circular 01") providing regulations for credit institutions and foreign banks' branches on debt rescheduling, exemption or reduction of interest and fees, retention of debt category to assist borrowers affected by Covid-19 pandemic.

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Specific provision is established based on the net loan exposure of loans using the prescribed provision rates applicable to that loan classification as follows:

<u>Group</u>	<u>Category</u>	<u>Provision rate</u>
1	Current	0%
2	Special-mentioned	5%
3	Sub-standard	20%
4	Doubtful	50%
5	Loss	100%

At least once every quarter, the Bank classifies loans and off-balance-sheet commitments at the end of each quarter for the first three quarters and on November 30 for the fourth quarter in the financial year.

General provision is made for undetermined loan loss on classification of debts. Accordingly, the amount of general provision which have to set up is defined by 0.75% of total balances of debts from group 1 to group 4, except for deposits with domestic credit institutions, foreign bank branches in Vietnam as prescribed by law and deposits at foreign credit institutions and loans, purchases with defined term of valuable papers for other credit institutions, foreign bank branches in Vietnam.

The provision for loan loss is charged to the statement of income which comprises amounts written off during the year, net of recoveries on amounts written off in prior years and changes in provision in current year.

The Bank writes off loans if they are classified under Group 5 or if the borrowers are legal entities that are liquidated or go bankrupt, or if borrowers are individuals who pass away or are missing. The solution for this loan is made after the approval of Risk Settlement Committee of the Bank. Bad debts written-off through provision are recorded in the appropriate off-balance sheet account for monitoring and collecting. The amount collected from the written off loans, including from liquidation of collaterals, is recorded in the profit and loss.

Tangible fixed assets and depreciation

Tangibles fixed assets are stated at cost less accumulated depreciation. The cost of purchased tangible fixed assets comprises its purchase price and any directly attributable costs of bringing the assets to its working condition and location for its intended use. Tangible fixed assets are depreciated using the straight-line method over their estimated useful lives as follows:

	<u>Years</u>
Office infrastructure	25
Office equipment	3 - 8
Motor vehicles	6 - 8

Tangibles fixed assets of the Bank are depreciated using the straight-line method over their estimated useful lives regulated at Circular No. 45/2013/TT-BTC dated 25 April 2013.

Loss or gain resulting from sales and disposals of tangible fixed assets is the difference between profit from sales or disposals of assets and their residual values and is recognized in the income statement.

Intangible assets and amortization

Land use rights

Intangible assets represent land use rights that are stated at cost less accumulated amortisation. Land use rights are amortised using the straight-line method over the duration of the right to use the land. Land use rights which are granted for a definite term are amortised, using the straight-line method over the terms indicate in the land use right certificates. Land use rights which are granted for an indefinite term are carried out at cost and not amortised.



Computer software

Intangible assets represent computer software that are stated at cost less amortization. Computer software is amortized on a straight-line basis over the period from five to eight years.

Derivative financial instruments

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

The currency forward contracts are commitments to settle in cash on a pre-determined future date based on the difference between pre-determined exchange rates, calculated on the notional amount. The currency forward contracts are recognized at nominal value at the transaction date and are revalued for the reporting purpose at the exchange rate at the reporting date. Gains or losses realized or unrealized are recognized in the income statement.

The swap contracts are commitments to settle in cash on a pre-determined future date based on the difference between pre-determined exchange rates calculated on the notional principal amount or commitments to settle interest based on a floating rate or a fixed rate calculated on the notional amount and in a given period. The premium or discount resulting from the difference between the spot rate at the effective date of the contract and the forward rate will be recognized immediately at the effective date of the contract as an asset if positive or a liabilities if the negative on the balance sheet.

The difference will be amortized on a straight-line basis over the life of the swap contract.

Other receivables

Other receivables apart from receivables from credit activities in the Bank's operations are initially recognised at cost and subsequently carried at cost.

Other receivables are subject to review for impairment provision which is made based on the overdue status or based on the expected loss for the following cases: institutional debtors which have fallen into bankruptcy or have been in the process of dissolution; or individual debtors who are missing, escaped, prosecuted, on trial or pass away even though loans are not overdue. The provision is recognized to "General and administrative expenditures" in the income statement.

According to the Bank's policy, for overdue receivable debts, the level of provisions is:

<i>Overdue period</i>	<i>Provision ratios</i>
From six months to below one year	30%
From one year to below two years	50%
From two years to below 3 years	70%
From three years and above	100%

Off-balance sheet commitments and guarantees

In the ordinary course of business, the Bank always enters into various off-balance sheet financial commitments. These commitments are in the form of loan or bank overdraft which have been approved. The Bank also provides the financial guarantees to guarantee the contract performance process for the third parties. Such transactions are recorded in the interim financial statements when they are funded or when related fees are incurred or received.

According to Circular 02 and Circular 09, guarantee amounts, payment acceptance, lending commitments which are irrevocable (hereinafter referred to as off-balance sheet commitments) must be classified as prescribed in Article 10 and 11 of Circular 02 for management and supervise quality of credit extension activity. Accordingly, off-balance sheet financial commitments are graded from group 1 to group 5 by using the following risk classifications: Current, Special-mentioned, Sub-standard, Doubtful and Loss based on the overdue status and other qualitative factors. The Bank does not make the provision for those off-balance sheet financial commitments and guarantees in accordance to Circular 02 and Circular 09.

Foreign currencies

The Bank maintains its accounting system and records all transactions in original currencies. Monetary assets and liabilities denominated in currencies other than USD at year-end are re-translated into USD using the exchange rate ruling at the balance sheet date. Income and expenses arising in currencies other than USD during the year are converted into USD at rates ruling at the transaction dates. Foreign exchange differences are recognized in the income statement.

Operating lease

Leases where substantially all the rewards and risks of ownership of assets remain with the lessor are accounted for as operating leases. Rental charges applicable to such operating leases are charged to the income statement as incurred over the lease term.

Management-entrusted assets

The assets held for the purpose of trusted management is not considered as the assets of the Bank and therefore not included in the financial statements of the Bank.

Other provisions

Other provisions are recognized when the Bank has a present obligation as a result of a past event, and it is probable that the Bank will be required to settle that obligation. Other provisions are measured at the Board of Executives' best estimate of the expenditure required to settle the obligation at the balance sheet date.

Reserves

Compulsory reserves

According to Decree No. 93/2017/ND-CP dated 07 August 2017 issued by the Government of Vietnam on the financial regime applicable to credit institutions, foreign bank branches, the Bank is required to make the following appropriation before distribution of profits:

	Annual Appropriation	Maximum balance
Reserves to supplement contributed capital	5% of profit after tax	Contributed capital
Financial reserves	10% of profit after tax	Not specified

The financial reserve is to cover remaining losses and damages in assets incurred during the normal course of business after being compensated for losses from organizations and individuals causing the losses, the insurance organization and the provisions extracted from the expenses; used for other purposes in accordance with the law. These compulsory reserves are non-distributable and are recorded as part of equity.

Other reserves

Other reserve funds include investment and development fund and other funds which are appropriated from the Bank's profit after tax as decided by the Board of Members of the Bank. These reserves are not regulated by law and are fully distributed and recorded as part of the equity.

Benefits of the employees

Post-employment benefits: Post-employment benefits are paid to retired employees of the Bank by the Social Insurance Agency, which belongs to the Ministry of Labour, War Invalids and Social Affairs. The Bank is required to contribute to these post-employment benefits by paying social insurance premium to the Social Insurance Agency at the rate of 17.5% (before 01 June 2017 was 18%) of an employee's actual salary on a monthly basis but not exceeding 20 times of basic salary. In addition, the Bank has no further obligation.

Voluntary resignation and retrenchment benefits

Voluntary resignation: The Bank has the obligation, under Article 48 of the Vietnam Labor Code amended on 18 June 2012, to pay allowance arising from voluntarily resignation of employees, equal to one-half month's salary for each year of employment plus salary allowances (if any) for each year of employment. Working period serving as the basis for calculating severance allowance shall be the total actual working period subtracting the period when the employees have made unemployment insurance contributions as prescribed by law, and the working period when severance allowance has been paid to the employees. The average monthly salary used in this calculation will be the average monthly salary of the last six-month period up to the resignation date.

Retrenchment benefits: The Bank has the obligation, under Article 49 of the Vietnam Labour Code to pay allowance to employees who are retrenched as a result of organizational restructuring or technological changes. In such cases, the Bank shall pay to the employees an allowance for loss of work equivalent to the aggregate amount of one month's salary for each year of employment, but no less than two months' salary.

While the obligations under Section 48 and 49 are compulsory, the implementation of these Sections is subject to specific guidance issued by the Ministry of Finance in implementing circulars. In accordance with Circular No. 180/2012/TT-BTC dated 24 October 2012 providing the guidance in treatment of allowance, the Bank could directly record an allowance directly in general and administration expenses when incurred.

Unemployment allowance: According to Law on Employment No. 38/2013/QH13 guiding the implementation on unemployment insurance, the Bank is obliged to pay unemployment insurance premium and make deduction from the wages of each employee to pay simultaneously to the Unemployment Insurance Fund.

Related parties

Parties are considered to be related to the Bank if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions, or where the Bank 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.

Related companies refer to the investor and its ultimate parent company and their subsidiaries and associates.

Offsetting

Financial assets and liabilities are offset and the net amounts are reported in the balance sheet if, and only if, there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

The tax currently payable is based on taxable profit for the year. Taxable profit differs from profit before tax as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years (including loss carried forward, if any) and it further excludes items that are never taxable or deductible. It is calculated using the rate of 20% that has been enacted by the balance sheet date.

Deferred tax is recognized on significant differences between carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and are accounted for using balance sheet liability method. Deferred tax liabilities are generally recognized for all temporary differences and deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which deductible temporary differences can be utilized.

Deferred tax is calculated at the tax rates that are expected to apply in the year when the liability is settled or the asset realized. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Bank intends to settle its current tax assets and liabilities on a net basis.

The determination of the tax currently payable and deferred tax is based on the current interpretation of tax regulations. However, these regulations are subject to periodic variation and their ultimate determination depends on the results of the tax authorities' examinations.

Other taxes are paid in accordance with the prevailing tax laws in Vietnam.

5. CASH ON HAND

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Cash on hand in Vietnam Dong	6,813,937	157,368	6,800,442	157,600
Cash on hand in other currencies	1,576,810	36,416	2,181,712	50,561
	8,390,747	193,784	8,982,154	208,161

6. DEPOSITS WITH THE STATE BANK OF VIETNAM

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Deposits in Vietnam Dong	41,682,283	962,652	64,273,217	1,489,532
Deposits in other currencies	13,972,876	322,704	11,794,490	273,337
	55,655,159	1,285,356	76,067,707	1,762,869

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Deposits with the State Bank of Vietnam represent demand deposits and the compulsory reserves maintained in compliance with the SBV's current regulations. The compulsory reserve per month is determined by the average compulsory reserve deposit balance of previous month multiplying by compulsory reserve ratios, respective to deposit's terms and currencies. The compulsory reserve ratios are as below:

Currencies and terms	31/12/2020	31/12/2019
Demand deposit and term deposit of less than 12 months in Vietnam Dong	3%	3%
Term deposit of greater than 12 months in Vietnam Dong	1%	1%
Demand deposit and term deposit of less than 12 months in foreign currencies	8%	8%
Term deposit of greater than 12 months in foreign currencies	6%	6%
Deposit in foreign currencies of oversea credit institutions	1%	1%

The compulsory reserve in December 2020 is VND 878,414 million (December 2019: VND 661,111 million) and USD 11,815,460 (December 2019: USD 11,647,700), respectively.

7. DEPOSITS WITH OTHER CREDIT INSTITUTIONS

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Demand deposit				
<i>In Vietnam Dong</i>	2,663,202	61,507	177,784,529	4,120,156
<i>In other currencies</i>	16,466,343	380,290	99,724,873	2,311,124
	19,129,545	441,797	277,509,402	6,431,280
Time deposit				
<i>In Vietnam Dong</i>	38,969,474	900,000	43,149,946	1,000,000
	38,969,474	900,000	43,149,946	1,000,000
	58,099,019	1,341,797	320,659,348	7,431,280

8. LOANS TO OTHER CREDIT INSTITUTIONS

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Loans denominated in Vietnam Dong	38,536,480	890,000	25,889,968	600,000
Loans denominated in other currencies	88,566,214	2,045,437	40,917,475	948,262
	127,102,694	2,935,437	66,807,443	1,548,262

9. TRADING SECURITIES

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Equity securities				
<i>Fund certificates issued by local economic entites</i>	-	-	1,875,963	43,475
Debt securities				
<i>Government debt securities</i>	87,087,173	2,011,278	81,750,982	1,894,579
<i>Bonds issued by other local credit institutions</i>	237,880,378	5,493,848	180,786,312	4,189,723
<i>Bonds issued by other local economic entities</i>	30,309,591	700,000	27,202,865	630,427
	355,277,142	8,205,126	291,616,122	6,758,204
Provision for trading securities				
<i>General provision for credit losses</i>	(374,483)	(8,649)	(271,989)	(6,303)
	(374,483)	(8,649)	(271,989)	(6,303)
	354,902,659	8,196,477	291,344,133	6,751,901

Movements in general provision for credit losses of trading securities during the year are as follows:

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Opening balance	271,989	6,303	486,746	11,302
(Reversal)/provision charged for the year	102,494	2,380	(214,757)	(5,053)
Foreign currency translation	-	(34)	-	54
Closing balance	374,483	8,649	271,989	6,303

Movements in provision for diminution in value of trading securities during the year are as follows:

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Opening balance	-	-	855,770	19,871
Provision used to write-off bad debts during the year	-	-	(855,770)	(19,871)
Closing balance	-	-	-	-

Trading securities categorized by listed status are as follows:

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Equity securities				
Unlisted	-	-	1,875,963	43,475
Debt securities				
Listed	87,087,173	2,011,278	81,750,982	1,894,579
Unlisted	268,189,969	6,193,848	207,989,177	4,820,150
	355,277,142	8,205,126	291,616,122	6,758,204

Trading debt securities represent:

- Government debt securities with maturity between one year and ten years, earning interest from 4.30% to 10.30% per annum (As at 31 December 2019: maturity between one year and ten years, earning interest from 7.40% to 10.75% per annum).
- Bonds issued by other local economic entities with maturity between one and three years, earning interest from 9.00% to 11.00% per annum (As at 31 December 2019: maturity within one year, earning interest 8.50% to 12.05% per annum).

10. LOANS TO CUSTOMERS

Loans to customers were analyzed as follows:

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Loans to local entities and individuals	1,451,341,017	33,518,721	1,307,821,561	30,308,765
	1,451,341,017	33,518,721	1,307,821,561	30,308,765

10.1 Analysis by term

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Short-term loans (within one year)	443,567,491	10,244,191	414,699,025	9,610,650
Medium-term loans (from one year to five years)	285,574,749	6,595,349	242,336,202	5,616,141
Long-term loans (above five years)	722,198,777	16,679,181	650,786,334	15,081,974
	1,451,341,017	33,518,721	1,307,821,561	30,308,765

10.2 Analysis by currency

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Loans denominated in Vietnam Dong	1,336,433,698	30,864,936	1,149,076,754	26,629,854
Loans denominated in other currencies	114,907,319	2,653,785	158,744,807	3,678,911
	1,451,341,017	33,518,721	1,307,821,561	30,308,765

10.3 Analysis by economic sectors

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Joint stock companies	647,113,918	14,945,096	526,407,344	12,199,490
Limited liability companies	471,247,899	10,883,470	438,838,454	10,170,081
State-owned enterprises	84,913,871	1,961,086	77,767,152	1,802,254
Foreign invested enterprise	71,120,051	1,642,518	96,402,688	2,234,132
Individuals	176,919,298	4,085,951	168,345,823	3,901,415
Private enterprises	25,980	600	60,100	1,393
	1,451,341,017	33,518,721	1,307,821,561	30,308,765

10.4 Analysis by loan group

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Group 1 - Current	1,430,133,058	33,028,923	1,282,978,650	29,733,031
Group 2 - Special-mentioned	8,010,283	184,998	9,072,887	210,264
Group 3 - Sub-standard	294,907	6,811	4,050,915	93,880
Group 4 - Doubtful	906,229	20,929	3,666,881	84,980
Group 5 - Loss	11,996,540	277,060	8,052,228	186,610
	1,451,341,017	33,518,721	1,307,821,561	30,308,765

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10.5 *Analysis by industry*

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Agriculture, forestry and aquatics	4,186,209	96,680	2,235,628	51,811
Mining	19,589,853	452,428	3,020,496	70,000
Processing	185,656,333	4,287,733	182,623,172	4,232,292
Electricity, water, oil and gas	52,847,920	1,220,523	43,131,090	999,563
Water supply	30,399,225	702,070	29,721,510	688,796
Constructions	137,024,807	3,164,588	112,773,074	2,613,516
Trading and motor vehicle repairing	473,454,317	10,934,427	445,367,810	10,321,399
Logistics	25,663,327	592,695	30,260,583	701,289
Accommodation and restaurant services	57,711,102	1,332,838	47,536,656	1,101,662
Telecommunication	14,505	335	75,599	1,752
Financial services	83,116,450	1,919,574	23,003,452	533,105
Real estate	66,364,642	1,532,691	64,257,605	1,489,170
Professional, science and technologies	64,949	1,500	-	-
Training and education	25,980	600	2,416	56
Health care and social support	444,967	10,277	2,120,086	49,133
Entertainment	259,605	5,996	-	-
Other services	307,875,255	7,110,379	314,958,662	7,299,167
Household services	6,641,571	153,387	6,733,722	156,054
	1,451,341,017	33,518,721	1,307,821,561	30,308,765

10.6 *Provision for credit losses*

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
General provision	10,645,936	245,868	9,785,081	226,769
Specific provision	14,809,157	342,017	15,406,698	357,050
	25,455,093	587,885	25,191,779	583,819

10.7 *Change in provision for credit losses for loans to customers*

General provision

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Opening balance	9,785,081	226,769	8,299,091	192,705
Charge for the year	860,855	20,124	1,485,990	34,474
Foreign currency translation difference	-	(1,025)	-	(410)
Closing balance	10,645,936	245,868	9,785,081	226,769

Specific provision

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Opening balance	15,406,698	357,050	8,071,972	187,431
Charge for the year	2,452,854	57,410	9,503,873	220,230
Provision used to write-off bad debts during the year	(3,050,395)	(70,449)	(2,169,147)	(50,270)
Foreign currency translation difference	-	(1,994)	-	(341)
Closing balance	14,809,157	342,017	15,406,698	357,050

11. INVESTMENT SECURITIES

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Available-for-sale securities				
<i>Debt securities</i>				
Government debt securities	105,438,768	2,435,109	114,862,550	2,661,940
Bonds issued by other local credit institutions (**)	55,312,754	1,277,448	20,409,924	473,000
Bonds issued by other local economic entities (*)	77,394,905	1,787,435	59,978,596	1,390,004
	238,146,427	5,499,992	195,251,070	4,524,944
<i>Provision for credit loss of available for sale securities</i>				
General provision	(579,914)	(13,393)	(352,438)	(8,168)
	237,566,513	5,486,599	194,898,632	4,516,776
Held-to-maturity securities				
<i>Debt securities</i>				
Bonds issued by other local economic entities (*)	-	-	21,559,663	499,645
<i>Provision for credit loss of held-to-maturity securities</i>				
General provision	-	-	(161,812)	(3,750)
	-	-	21,397,851	495,895

Movements in provision for credit losses of investment securities during the year are as follows:

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Beginning balance	514,250	11,918	9,085,878	210,974
Charge for the year	65,664	1,600	46,091	1,136
Impairment allowances used to write-off bad debts during the year	-	-	(8,617,719)	(200,000)
Foreign currency translation difference	-	(125)	-	(192)
Closing balance	579,914	13,393	514,250	11,918

(*) Bonds issued by other local economic entities as at 31 December 2020 included an amount of USD 51,848,249 (equivalent to VND 1,197,435 million) (as at 31 December 2019: USD 68,608,414, equivalent to VND 2,435,640 million) are secured by shares, land use rights, property using rights and receivables amounting to USD 62,900,796 (equivalent to VND 1,452,693 million) (as at 31 December 2019: USD 105,097,303 (equivalent to VND 2,435,630 million)).

These bonds have maturity between two years and five years, earning interest from 8.55% to 11.00% per annum (as at 31 December 2019: maturity between two years and ten years, earning interest from 9.46% to 11.04% per annum).

(**) Bonds issued by other local credit institutions with maturity of one year and ten years, earning interest from 7.00% to 10.30% per annum (as at 31 December 2019: with maturity of ten years, earning interest from 7.50% to 10.30% per annum).

12. TANGIBLE FIXED ASSETS

	Office infrastructure	Office equipment	Motor Vehicles	Total
	USD	USD	USD	USD
COST				
Opening balance	11,949,370	7,721,792	2,962,038	22,633,200
Additions	-	853,687	252,240	1,105,927
Transfer from construction in progress	164,959	141,129	-	306,088
Disposals	(21,114)	(109,332)	(150,434)	(280,880)
Closing balance	12,093,215	8,607,276	3,063,844	23,764,335
ACCUMULATED DEPRECIATION				
Opening balance	4,902,442	6,348,972	2,082,034	13,333,448
Charge for the year	445,741	504,234	248,064	1,198,039
Disposals	(21,114)	(109,332)	(150,434)	(280,880)
Closing balance	5,327,069	6,743,874	2,179,664	14,250,607
NET BOOK VALUE				
Opening balance	7,046,928	1,372,820	880,004	9,299,752
Closing balance	6,766,146	1,863,402	884,180	9,513,728

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	Office infrastructure	Office equipment	Motor Vehicles	Total
	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent
COST				
Opening balance	276,927	178,953	68,645	524,525
Additions	-	19,716	5,825	25,541
Transfer from construction in progress	3,809	3,259	-	7,068
Disposals	(488)	(2,525)	(3,474)	(6,487)
Foreign currency translation difference	(955)	(617)	(237)	(1,809)
Closing balance	279,293	198,786	70,759	548,838
ACCUMULATED DEPRECIATION				
Opening balance	113,614	147,137	48,252	309,003
Charge for the year	10,294	11,645	5,729	27,668
Disposals	(488)	(2,525)	(3,474)	(6,487)
Foreign currency translation difference	(392)	(507)	(167)	(1,066)
Closing balance	123,028	155,750	50,340	329,118
NET BOOK VALUE				
Opening balance	163,313	31,816	20,393	215,522
Closing balance	156,264	43,036	20,419	219,720

As at 31 December 2020, the cost of the Bank's tangible fixed assets included a total amount of USD 8,782,583 (equivalent VND 202,834 million) (as at 31 December 2019: USD 8,564,078, equivalent VND 198,473 million) in respect of fully depreciated assets which are still in use.

13. INTANGIBLE ASSETS

	Land use rights	Computer Software	Total
	USD	USD	USD
COST			
Opening balance	15,291,418	3,113,230	18,404,648
Additions	-	911,413	911,413
Closing balance	15,291,418	4,024,643	19,316,061
ACCUMULATED AMORTIZATION			
Opening balance	262,463	2,355,297	2,617,760
Charge for the year	12,051	204,138	216,189
Closing balance	274,514	2,559,435	2,833,949
NET BOOK VALUE			
Opening balance	15,028,955	757,933	15,786,888
Closing balance	15,016,904	1,465,208	16,482,112

	Land use rights	Computer Software	Total
	VND million equivalent	VND million equivalent	VND million equivalent
COST			
Opening balance	354,379	72,149	426,528
Additions	-	21,049	21,049
Foreign currency translation difference	(1,224)	(249)	(1,473)
Closing balance	353,155	92,949	446,104
ACCUMULATED AMORTIZATION			
Opening balance	6,083	54,584	60,667
Charge for the year	278	4,715	4,993
Foreign currency translation difference	(21)	(189)	(210)
Closing balance	6,340	59,110	65,450
NET BOOK VALUE			
Opening balance	348,296	17,565	365,861
Closing balance	346,815	33,839	380,654

As at 31 December 2020, the cost of the Bank's intangible assets included a total amount of USD 2,234,909 (equivalent VND 51,615 million) (as at 31 December 2019: USD 1,703,099, equivalent VND 39,469 million) in respect of fully amortized assets which are still in use.

14. OTHER RECEIVABLES

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Short-term deposits	493,114	11,388	497,195	11,522
Receivables from the SBV relating to Interest Subsidy Program	165,325	3,818	164,755	3,818
Construction in progress	249,653	5,766	2,865,367	66,405
Advances for operating activities	293,356	6,775	32,982	764
Other receivables	15,509	358	1,244,584	28,845
Transfers from construction in progress to other receivables (*)	1,926,720	44,498	-	-
Provision for impairment of other assets (*)	(1,926,720)	(44,498)	-	-
	1,216,957	28,105	4,804,883	111,354

(*) Present the amount paid to Cavico Vietnam Co., Ltd. to purchase the 1st and 2nd floors of Apex Tower Building at Lot HH3, Me Tri Ha Urban Area, Pham Hung Street, District Nam Tu Liem, Hanoi City under the office transfer contract No.01/CVC-CVT-IVB/2011 dated 5 September 2011. During the year, the Bank has a disputed case with Cavico Vietnam Co., Ltd in accordance with Court No. 112/2020/KDTM-PT dated 16 July 2020 of the People's Court of Hanoi City.

At the reporting date, the Bank has made an allowance for the above receivable amounted to USD 1,926,720 (equivalent to VND 44,498 million) based on the Executive Board's assessment on the recovery of this receivable.

15. OTHER ASSETS

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Prepaid expenses	2,069,758	47,801	1,401,421	32,477
Office tools and supplies	162,094	3,744	177,767	4,120
Others	936,758	21,634	842,530	19,526
	3,168,610	73,179	2,421,718	56,123

16. DEPOSITS FROM OTHER CREDIT INSTITUTIONS

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
<u>Demand deposits</u>				
In Vietnam Dong	273,873	6,325	173,896,976	4,030,062
In USD	539,553	12,461	798,708	18,510
	813,426	18,786	174,695,684	4,048,572
<u>Time deposits</u>				
In Vietnam Dong	56,289,240	1,300,000	50,916,936	1,180,000
In USD	28,000,000	646,660	73,000,000	1,691,775
	84,289,240	1,946,660	123,916,936	2,871,775
	85,102,666	1,965,446	298,612,620	6,920,347

17. BORROWINGS FROM OTHER CREDIT INSTITUTIONS

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
In Vietnam Dong	-	-	43,149,946	1,000,000
In USD	4,107,860	94,871	214,901,319	4,980,338
	4,107,860	94,871	258,051,265	5,980,338

The borrowings from other credit institutions as at 31 December 2020 included borrowings balance was pledged by Government bonds of the Bank with amount of USD 4,107,860 (equivalent VND 94,871 million) (as at 31 December 2019: USD 25,880,475, equivalent VND 599,780 million) as described in Note 11.

The annual interest rate of Borrowings from other credit institutions as at the balance sheet date is as follows:

	31/12/2020	31/12/2019
In USD	0.74%-2.39%	2.17%-2.65%
In Vietnam Dong	-	4.70%-5.50%

18. DEPOSITS FROM CUSTOMERS

By type of term deposit

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
<u>Demand deposits</u>				
In Vietnam Dong	301,205,283	6,956,336	333,766,036	7,735,028
In USD	126,520,148	2,921,983	119,195,476	2,762,355
In other currencies	2,064,234	47,673	1,212,046	28,089
<u>Time deposits</u>				
In Vietnam Dong	1,266,086,222	29,240,261	881,718,879	20,433,835
In USD	19,613,599	452,976	19,858,991	460,232
<u>Margin deposits</u>				
In Vietnam Dong	813,376	18,786	936,965	21,715
In USD	69,499	1,605	-	-
	<u>1,716,372,361</u>	<u>39,639,620</u>	<u>1,356,688,393</u>	<u>31,441,254</u>

By type of customer

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Economic entities	1,226,025,966	28,315,070	922,859,177	21,387,262
Individuals	490,346,395	11,324,550	433,829,216	10,053,992
	<u>1,716,372,361</u>	<u>39,639,620</u>	<u>1,356,688,393</u>	<u>31,441,254</u>

19. DERIVATIVES AND OTHER FINANCIAL ASSETS/ FINANCIAL LIABILITIES

Closing balance	Net contract value (at the foreign exchange rate at 31 December)	
	USD	VND million equivalent
Foreign currency forward contracts	(157,886)	(3,646)
Foreign currency swap contracts	(2,340,855)	(54,062)
	<u>(2,498,741)</u>	<u>(57,708)</u>
Opening balance	Net contract value (at the foreign exchange rate at 31 December)	
	USD	VND million equivalent
Foreign currency forward contracts	(205,224)	(4,756)
Foreign currency swap contracts	(5,765,959)	(133,626)
	<u>(5,971,183)</u>	<u>(138,382)</u>

20. VALUABLE PAPERS ISSUED

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Valuable papers issued				
Less than 12 months	26,559,861	613,400	17,801,942	412,560
From 1 year to 5 years	149,538,862	3,453,600	60,379,759	1,399,301
	176,098,723	4,067,000	78,181,701	1,811,861

At 31 December 2020, these are valuable papers issued under certificates with term from 1 months to 3 years, interest paid in arrears on an annual basis which bear interest rate from 4.94% to 8.71% per annum (as at 31 December 2019: term from 2 months to 2 years, interest paid in arrears on an annual basis which bear interest rate from 4.7% to 7.5% per annum).

21. OTHER PAYABLES

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Deferred income from guarantees	117,808	2,721	110,305	2,556
Remittance payable	4,129,953	95,381	3,223,556	74,706
Bonus and welfare fund	285,372	6,591	328,872	7,622
Escrow fund	12,665,280	292,505	18,141,695	420,434
Taxes payable (Note 35)	2,612,274	60,615	3,467,652	80,370
Other payables	5,287,850	121,838	3,992,347	92,516
	25,098,537	579,651	29,264,427	678,204

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22. EQUITY AND RESERVES

	Charter capital	Reserves to supplement contributed	Financial reserve	Investment and development	Retained earnings	Total
	USD	USD	USD	USD	USD	USD
Prior year's opening balance	193,000,000	11,009,868	21,069,413	199,380	25,061,712	250,340,373
Profit for the year	-	-	-	-	34,617,540	34,617,540
Appropriation to reserves	-	1,730,877	3,288,666	-	(5,019,543)	-
Reversal of reward fund	-	-	-	-	1,000,000	1,000,000
Profits distribution	-	-	-	-	(25,500,000)	(25,500,000)
Prior year's closing balance	193,000,000	12,740,745	24,358,079	199,380	30,159,709	260,457,913
Profit for the year	-	-	-	-	38,993,987	38,993,987
Appropriation to reserves	-	1,949,699	3,704,429	-	(5,654,128)	-
Profits distribution (*)	-	-	-	-	(29,500,000)	(29,500,000)
Appropriation to reward fund	-	-	-	-	(275,000)	(275,000)
Current year's closing balance	193,000,000	14,690,444	28,062,508	199,380	33,724,568	269,676,900



INDOVINA BANK LIMITED
NOTES TO THE FINANCIAL STATEMENTS (Continued)

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	Charter capital	Foreign exchange difference	Reserves to supplement contributed capital	Financial reserve	Investment development reserve	Retained earnings	Total
	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent
Prior year's opening balance	3,377,500	1,135,161	241,882	462,959	4,478	590,924	5,812,904
Profit for the year	-	-	-	-	-	804,770	804,770
Appropriation to reserves	-	-	40,239	76,453	-	(116,692)	-
Profits distribution	-	-	-	-	-	(596,573)	(596,573)
Reversal of reward fund	-	-	-	-	-	23,395	23,395
Foreign currency translation difference	-	(8,384)	-	-	-	-	(8,384)
Prior year's closing balance	3,377,500	1,126,777	282,121	539,412	4,478	705,824	6,036,112
Profit for the year	-	-	-	-	-	906,999	906,999
Appropriation to reserves	-	-	45,350	86,165	-	(131,515)	-
Profits distribution (*)	-	-	-	-	-	(695,256)	(695,256)
Appropriation to reward fund	-	-	-	-	-	(6,481)	(6,481)
Foreign currency translation difference	-	(17,858)	-	-	-	4,672	(13,186)
Current year's closing balance	3,377,500	1,108,919	327,471	625,577	4,478	784,243	6,228,188

The Bank's charter capital is USD 193,000,000, has been owned by Vietinbank and CUB with the rate of 50/50, respectively. Charter capital has been fully contributed by the owners as at balance sheet dates.

(*) On 19 March 2020, the Board of Members of the Bank approved the dividend from prior year's profit amounting to USD 29,500,000 (equivalent VND 695,256 million) (2019: USD 25,500,000 (equivalent VND 596,573 million)) to its owners.

The compulsory reserves have been appropriated in accordance to prevailing regulations.

23. INTEREST AND SIMILAR INCOME

	Current year		Prior year (Reclassification)	
	USD	VND million equivalent	USD	VND million equivalent
From loans	117,723,916	2,736,354	115,718,290	2,688,231
From deposits	1,026,379	23,894	1,356,744	31,503
From investments	27,212,055	632,241	29,815,842	692,224
From guarantee	555,179	12,903	778,335	18,076
Others	-	-	75	1
	146,517,528	3,405,392	147,669,286	3,430,035

24. INTEREST EXPENSES AND SIMILAR CHARGES

	Current year		Prior year (Reclassification)	
	USD	VND million equivalent	USD	VND million equivalent
For deposits from other credit institution and customers	72,667,198	1,689,085	67,888,004	1,577,111
For borrowings from other credit institutions	4,704,466	109,511	7,261,151	168,680
For issuance of valuable papers	8,513,141	197,724	1,963,313	45,561
	85,884,805	1,996,320	77,112,468	1,791,352

25. NET FEE AND COMMISSION INCOME

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Fee and commission income				
Settlement services	3,577,676	83,142	3,814,212	88,595
Treasury services	90,536	2,105	122,286	2,840
Other services	545,122	12,664	417,270	9,690
	4,213,334	97,911	4,353,768	101,125
Fee and commission expense				
Settlement services	(919,938)	(21,385)	(1,263,055)	(29,332)
Treasury services	(149,630)	(3,478)	(176,167)	(4,093)
Other services	(374,372)	(8,693)	(216,163)	(5,020)
	(1,443,940)	(33,556)	(1,655,385)	(38,445)
	2,769,394	64,355	2,698,383	62,680

26. NET LOSS FROM DEALING IN FOREIGN CURRENCIES

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Gain from trading foreign currency spot	5,976,072	138,582	2,423,558	56,304
Loss from trading foreign currency spot	(740,053)	(17,215)	(848,535)	(19,678)
Gain from derivatives	46,813	1,085	37,135	862
Loss from derivatives	(5,379,159)	(125,017)	(6,500,356)	(150,950)
	(96,328)	(2,565)	(4,888,198)	(113,462)

27. NET GAIN FROM TRADING OF SECURITIES

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Net gain from trading of securities	13,058,439	303,565	8,447,859	196,228
Reverse provision	-	-	214,757	5,053
Provision expense for trading securities	(102,494)	(2,380)	-	-
	12,955,945	301,185	8,662,616	201,281

28. NET GAIN FROM TRADING OF INVESTMENT SECURITIES

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Net gain from trading of investment securities	268,392	6,249	1,059,665	24,624
Provision expense for investment securities	(65,664)	(1,600)	(46,091)	(1,136)
	202,728	4,649	1,013,574	23,488

29. NET GAIN FROM OTHER ACTIVITIES

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Other income				
- Collection of bad debt previously written off	1,199,308	27,824	774,894	17,971
- Other income	376,771	8,763	327,935	7,616
	1,576,079	36,587	1,102,829	25,587
Other expenses				
- Other expenses	(34,237)	(800)	(2,195)	(51)
	(34,237)	(800)	(2,195)	(51)
Net gain from other activities	1,541,842	35,787	1,100,634	25,536

30. GENERAL AND ADMINISTRATION ON EXPENSES

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Tax, duties and fees	262,326	6,091	291,527	6,773
Employee expense				
- Salary and allowance	7,116,498	165,308	6,946,236	161,054
- Bonus	4,455,115	103,591	4,691,739	109,523
- Other expenses for employees	3,967,506	92,210	3,483,533	80,900
Asset relating expenditures				
- Depreciation and amortization charges	1,414,229	32,884	1,281,936	29,778
- Asset leasing	1,547,415	35,998	1,328,753	30,871
- Office material expenses	55,844	1,302	52,100	1,209
- Maintenance and repairing expenses	1,057,486	24,601	1,595,317	37,057
- Tools and equipment expenses	175,473	4,081	178,435	4,143
- Marketing, promotion and printing expenses	967,888	22,476	1,209,941	28,099
- Travelling expenses	138,214	3,209	286,545	6,655
- Non deductible value added tax	239,233	5,549	337,467	7,837
- Telecommunication expenses	307,609	7,154	313,534	7,283
- Office material expenses	93,608	2,176	103,705	2,409
- Electric, water and hygiene	474,771	11,041	478,879	11,128
- Oil and gas expenses	87,140	2,025	122,373	2,843
- Expenses on research and application of technological science, innovation, improvement	861	20	22,601	524
- Other expenses	837,672	19,457	1,105,074	25,661
Insurance for customer deposits	593,307	13,798	672,329	15,613
Expenditure of provision (excluding the expenditure of provision for credit losses; expenditure of provision for securities risks)	1,926,720	44,498	-	-
	25,718,915	597,469	24,502,024	569,360

31. CORPORATE INCOME TAX

31.1. Current Corporate Income Tax Expense

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Profit before tax	48,973,679	1,137,480	43,651,940	1,014,142
Less: Adjustments to decrease profit before tax	(12,935,896)	(297,479)	(1,992,526)	(45,082)
Add: Adjustments to increase profit before tax	13,475,376	312,999	9,011,790	209,278
Taxable profit	49,513,159	1,153,000	50,671,204	1,178,338
Tax rate	20%	20%	20%	20%
Corporate income tax calculated based on current year taxable profit	9,902,632	230,600	10,134,241	235,668
Previous year corporate income tax	-	-	209,358	4,861
Income tax adjustment for prior years	82,214	-	35,211	-
Current corporate income tax expense	9,984,846	230,600	10,378,810	240,529

31.2. Deferred corporate income tax

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Deferred corporate income tax income				
Deferred corporate income tax related to deductible temporary difference	5,154	119	1,344,410	31,157
	5,154	119	1,344,410	31,157

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Deductible temporary difference	12,738,145	294,185	12,712,380	294,609
Corporate income tax rates	20%	20%	20%	20%
Deferred tax assets related to deductible temporary differences	2,547,629	58,837	2,542,476	58,922

32. CASH AND CASH EQUIVALENTS

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Cash on hand	8,390,747	193,784	8,982,154	208,161
Deposits with the State Bank of Vietnam	55,655,159	1,285,356	76,067,707	1,762,869
Deposits with other credit institutions (with terms of 3 months or less)	58,099,019	1,341,797	320,659,348	7,431,280
	122,144,925	2,820,937	405,709,209	9,402,310

33. EMPLOYEES' REMUNERATION

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Average number of employees	815	815	819	819
Employees' remuneration				
<i>Total salary fund</i>	7,116,498	165,308	6,946,236	161,317
<i>Bonus</i>	4,455,115	103,591	4,691,739	109,260
<i>Other remuneration</i>	1,621,930	37,696	1,385,492	32,170
Total remuneration	13,193,544	306,595	13,023,467	302,747
Average annual salary/employee	8,732	203	8,481	197
Average annual remuneration/employee	16,188	376	15,902	370

34. OBLIGATIONS TO THE STATE'S BUDGET

	Opening balance	Movement during the year		Closing balance
	USD	Payables	Paid	USD
Value Added Tax	52,211	381,377	384,825	48,763
Corporate Income Tax	3,271,190	9,984,846	10,734,174	2,521,862
Personal Income Tax	103,517	1,311,136	1,386,802	27,851
Foreign Contractor Tax	40,734	308,314	335,250	13,798
Total	3,467,652	11,985,673	12,841,051	2,612,274

	Opening balance	Movement during the year		Closing balance
	VND million equivalent	Payables	Paid	VND million equivalent
Value Added Tax	1,210	8,808	8,888	1,130
Corporate Income Tax	75,817	230,600	247,906	58,511
Personal Income Tax	2,399	30,281	32,028	652
Foreign Contractor Tax	944	7,121	7,743	322
Total	80,370	276,810	296,565	60,615

35. TYPE AND VALUE OF COLLATERAL RECEIVED FROM CUSTOMERS

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Real estates	1,752,462,656	40,473,125	1,539,682,093	35,682,133
Machinery and equipment	159,450,660	3,682,513	186,794,431	4,328,961
Inventories	17,648,106	407,583	29,371,521	680,685
Shares and valuable papers	278,358,260	6,428,684	109,249,006	2,531,846
Others	829,329,898	19,153,374	982,400,302	22,767,126
Total	3,037,249,580	70,145,279	2,847,497,353	65,990,751

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

	Total loan balances	Total deposit balances	Credit commitments	Derivatives	Trading and investment securities
	USD	USD	USD	USD	USD
Domestic	1,578,443,711	1,627,046,963	80,582,726	(2,498,741)	593,423,569
Overseas	-	174,428,064	-	-	-
	1,578,443,711	1,801,475,027	80,582,726	(2,498,741)	593,423,569
	Total loan balances	Total deposit balances	Credit commitments	Derivatives	Trading and investment securities
	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent
Domestic	36,454,158	37,576,650	1,861,058	(57,708)	13,705,117
Overseas	-	4,028,416	-	-	-
	36,454,158	41,605,066	1,861,058	(57,708)	13,705,117

37. FINANCIAL RISK MANAGEMENT

a. Interest rate risk

The Bank has significant interest rate risks arising from interest bearing loans which are arranged. The Bank is exposed to interest rate risk as the Bank borrows funds at both fixed and floating interest rates. The risk is managed by the Bank by maintaining an appropriate mix between fixed and floating rate borrowings.

As at 31 December 2020	Overdue	Non-interest bearing	Up to 1 month	1-3 months	3-6 months	6-12 months	1-5 years	Over 5 years	Total
Assets									
Cash on hand	-	8,390,747	-	-	-	-	-	-	8,390,747
Deposits with the State Bank of Vietnam	-	55,655,159	-	-	-	-	-	-	55,655,159
Deposits and lendings to other credit institutions (*)	-	19,129,545	30,309,591	35,979,649	57,556,039	42,226,889	-	-	185,201,713
Trading securities (*)	-	-	107,848,326	125,104,711	-	122,324,105	-	-	355,277,142
Loans to customers (*)	21,207,959	-	135,571,559	1,159,869,715	58,763,174	63,980,865	11,947,745	-	1,451,341,017
Investment securities (*)	-	-	-	4,329,942	7,683,401	12,900,418	133,251,957	79,980,709	238,146,427
Fixed assets	-	25,995,840	-	-	-	-	-	-	25,995,840
Other assets (*)	-	23,555,321	-	-	-	-	-	-	23,555,321
Total assets	21,207,959	132,726,612	273,729,476	1,325,284,017	124,002,614	241,432,277	145,199,702	79,980,709	2,343,563,366
Liabilities									
Deposits and borrowings from other credit institutions	-	-	85,102,666	-	25,333	139,378	3,943,149	-	89,210,526
Deposits from customers	-	-	664,815,915	122,905,670	323,399,774	337,005,777	259,152,348	9,092,877	1,716,372,361
Derivatives and other financial liabilities	-	-	-	2,498,741	-	-	-	-	2,498,741
Valuable papers issued	-	-	2,182,291	25,174,280	37,393,375	53,232,301	58,116,476	-	176,098,723
Other liabilities	-	61,369,905	-	-	-	-	-	-	61,369,905
Total liabilities	-	61,369,905	752,100,872	150,578,691	360,818,482	390,377,456	321,211,973	9,092,877	2,045,550,256
Interest gap of balance sheet items	21,207,959	71,356,707	(478,371,396)	1,174,705,326	(236,815,868)	(148,945,179)	(176,012,271)	70,887,832	298,013,110
Total interest gap	21,207,959	71,356,707	(478,371,396)	1,174,705,326	(236,815,868)	(148,945,179)	(176,012,271)	70,887,832	298,013,110



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As at 31 December 2020	Overdue		Non-interest bearing		Up to 1 month		1-3 months		3-6 months		6-12 months		1-5 years		Over 5 years		Total			
	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent		
Assets																				
Cash on hand	-	193,784	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	193,784	
Deposits with the State Bank of Vietnam	-	1,285,356	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,285,356	
Deposits and lendings to other credit institutions (*)	-	441,797	-	700,000	-	830,950	-	1,329,257	-	975,230	-	-	-	-	-	-	-	-	4,277,234	
Trading securities (*)	-	-	-	2,490,757	-	2,889,293	-	2,825,076	-	2,825,076	-	-	-	-	-	-	-	-	8,205,126	
Loans to customers (*)	489,798	-	-	3,131,025	-	26,787,191	-	1,357,136	-	1,477,638	-	-	-	-	-	-	-	-	33,518,721	
Investment securities (*)	-	-	-	-	-	100,000	-	177,448	-	297,935	-	-	-	-	-	-	-	-	5,499,992	
Fixed assets	-	600,374	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	600,374	
Other assets (*)	-	544,009	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	544,009	
Total assets	489,798	3,065,320	6,321,782	30,607,434	2,863,841	5,575,879	3,353,387	1,847,155	54,124,596											
Liabilities																				
Deposits and borrowings from other credit institutions	-	-	-	1,965,446	-	585	-	91,067	-	2,060,317	-	-	-	-	-	-	-	-	2,060,317	
Deposits from customers	-	-	-	15,353,924	-	2,838,506	-	7,468,918	-	5,985,123	-	-	-	-	-	-	-	-	39,639,620	
Derivatives and other financial liabilities	-	-	-	-	-	57,708	-	-	-	-	-	-	-	-	-	-	-	-	57,708	
Valuable papers issued	-	-	-	50,400	-	863,600	-	1,342,200	-	4,067,000	-	-	-	-	-	-	-	-	4,067,000	
Other liabilities	-	1,417,338	-	-	-	-	-	-	-	1,417,338	-	-	-	-	-	-	-	-	1,417,338	
Total liabilities	-	1,417,338	17,369,770	3,477,614	8,333,103	9,015,767	7,418,390	210,001	47,241,983											
Interest gap of balance sheet items	489,798	1,647,982	(11,047,988)	27,129,820	(5,469,262)	(3,439,888)	(4,065,003)	1,637,154	6,882,613											
Total interest gap	489,798	1,647,982	(11,047,988)	27,129,820	(5,469,262)	(3,439,888)	(4,065,003)	1,637,154	6,882,613											

(*): the above balances exclude provision.

Interest rate sensitivity

The Bank has not performed interest sensitivity analysis for the year ended 31 December 2020 due to the insufficiency of input database system.



b. Liquidity risk

The purpose of liquidity risk management is to ensure the availability of funds to meet present and future financial obligations. Liquidity is also managed by ensuring that the excess of maturing liabilities over maturing assets in any year is kept to manageable levels relative to the amount of funds that the Bank believes can generate within that year. The Bank's policy is to regularly monitor current and expected liquidity requirements to ensure that the Bank maintains sufficient reserves of cash, borrowings and adequate committed funding from its owners to meet its liquidity requirements in the short and longer term. The table below analyzed the Bank's assets and liabilities into relevant maturity grouping based on the remaining period at the balance sheet date to the contractual maturity date.

As at 31 December 2020	Overdue		Current				Total	
	Over 3 months USD	Up to 3 months USD	Up to 1 month USD	1-3 months USD	3-12 months USD	1-5 years USD	Over 5 years USD	Total USD
Assets								
Cash on hand	-	-	8,390,747	-	-	-	-	8,390,747
Deposits with the State Bank of Vietnam	-	-	55,655,159	-	-	-	-	55,655,159
Deposits and lendings to other credit institutions (*)	-	-	49,439,136	35,979,649	99,782,928	-	-	185,201,713
Trading securities (*)	-	-	107,848,326	125,104,711	122,324,105	-	-	355,277,142
Loans to customers (*)	8,010,284	13,197,675	99,902,899	83,368,932	273,576,169	311,377,543	661,907,515	1,451,341,017
Investment securities (*)	-	-	-	4,329,942	20,583,819	133,251,957	79,980,709	238,146,427
Fixed assets	-	-	-	-	-	-	25,995,840	25,995,840
Other assets (*)	-	-	23,555,321	-	-	-	-	23,555,321
Total assets	8,010,284	13,197,675	344,791,588	248,783,234	516,267,021	444,629,500	767,884,064	2,343,563,366
Liabilities								
Deposits and borrowings from other credit institutions	-	-	85,102,666	-	164,711	3,943,149	-	89,210,526
Deposits from customers	-	-	776,248,342	223,299,863	613,600,427	94,130,851	9,092,878	1,716,372,361
Derivatives and other financial liabilities	-	-	-	2,498,741	-	-	-	2,498,741
Valuable papers issued	-	-	2,182,291	25,174,280	90,625,676	58,116,476	-	176,098,723
Other liabilities	-	-	61,369,905	-	-	-	-	61,369,905
Total liabilities	-	-	924,903,204	250,972,884	704,390,814	156,190,476	9,092,878	2,045,550,256
Net liquidity gap	8,010,284	13,197,675	(580,111,616)	(2,189,650)	(188,123,793)	288,439,024	758,791,186	298,013,110

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As at 31 December 2020	Overdue			Current			Total
	Over 3 months VND million equivalent	Up to 3 months VND million equivalent	Up to 1 month VND million equivalent	1-3 months VND million equivalent	3-12 months VND million equivalent	1-5 years VND million equivalent	
Assets							
Cash on hand	-	-	193,784	-	-	-	193,784
Deposits with the State Bank of Vietnam	-	-	1,285,356	-	-	-	1,285,356
Deposits and lendings to other credit institutions (*)	-	-	1,141,797	830,950	2,304,487	-	4,277,234
Trading securities (*)	-	-	2,490,757	2,889,293	2,825,076	-	8,205,126
Loans to customers (*)	184,998	304,800	2,307,257	1,925,405	6,318,242	7,191,264	33,518,721
Investment securities (*)	-	-	-	100,000	475,383	3,077,454	5,499,992
Fixed assets	-	-	-	-	-	-	600,374
Other assets (*)	-	-	544,009	-	-	-	544,009
Total assets	184,998	304,800	7,962,960	5,745,648	11,923,188	10,268,718	54,124,596
Liabilities							
Deposits and borrowings from other credit institutions	-	-	1,965,446	-	3,804	91,067	2,060,317
Deposits from customers	-	-	17,927,455	5,157,110	14,171,102	2,173,952	39,639,620
Derivatives and other financial liabilities	-	-	-	57,708	-	-	57,708
Valuable papers issued	-	-	50,400	581,400	2,093,000	1,342,200	4,067,000
Other liabilities	-	-	1,417,338	-	-	-	1,417,338
Total liabilities	-	-	21,360,639	5,796,218	16,267,906	3,607,219	47,241,983
Net liquidity gap	184,998	304,800	(13,397,679)	(50,570)	(4,344,718)	6,661,499	6,882,613

(*): the above balances exclude provision.

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NOTES TO THE FINANCIAL STATEMENTS (Continued)

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c. Currency risk

The Bank undertakes certain transactions denominated in foreign currencies; consequently, exposures to exchange rate fluctuations arise. The Bank does not hedge this risk due to the lack of any market to purchase such instruments. The carrying amounts of the Bank's foreign currency denominated monetary assets and monetary liabilities at the end of the financial year are as follows:

As at 31 December 2020	USD				USD
	EUR	USD	VND	Other currencies	
Assets					
Cash on hand	31,310	1,545,500	6,813,937	-	8,390,747
Deposits with the State Bank of Vietnam	-	13,972,877	41,682,282	-	55,655,159
Deposits and lendings to other credit institutions (*)	1,395,881	101,710,539	80,169,156	1,926,137	185,201,713
Trading securities (*)	-	-	355,277,142	-	355,277,142
Derivatives and other financial assets	-	195,342,673	101,333,933	-	296,676,606
Loans to customers (*)	-	114,907,319	1,336,433,698	-	1,451,341,017
Investment securities (*)	-	-	238,146,427	-	238,146,427
Fixed assets	-	25,995,840	-	-	25,995,840
Other assets (*)	-	8,655,546	14,899,775	-	23,555,321
Total assets	1,427,191	462,130,294	2,174,756,350	1,926,137	2,640,239,972
Liabilities and owners' equity					
Deposits and borrowings from other credit institutions	-	32,647,413	56,563,113	-	89,210,526
Deposits from customers	894,926	146,203,246	1,568,104,880	1,169,309	1,716,372,361
Derivatives and other financial liabilities	-	17,842,687	281,332,660	-	299,175,347
Valuable papers issued	-	-	176,098,723	-	176,098,723
Other liabilities	-	9,673,200	51,696,178	527	61,369,905
Equity and reserves	-	269,676,900	-	-	269,676,900
Total liabilities and owners' equity	894,926	476,043,446	2,133,795,554	1,169,836	2,611,903,762
Net on-balance sheet position	532,265	(13,913,152)	40,960,796	756,301	28,336,210
Total position	532,265	(13,913,152)	40,960,796	756,301	28,336,210

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As at 31 December 2020

	<u>EUR</u>	<u>USD</u>	<u>VND</u>	<u>Other currencies</u>	<u>Total</u>
	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent	VND million equivalent
Assets					
Cash on hand	723	35,693	157,368	-	193,784
Deposits with the State Bank of Vietnam	-	322,704	962,652	-	1,285,356
Deposits and lendings to other credit institutions (*)	32,238	2,349,005	1,851,507	44,484	4,277,234
Trading securities (*)	-	-	8,205,126	-	8,205,126
Derivatives and other financial assets	-	4,511,440	2,340,307	-	6,851,747
Loans to customers (*)	-	2,653,785	30,864,936	-	33,518,721
Investment securities (*)	-	-	5,499,992	-	5,499,992
Fixed assets	-	600,374	-	-	600,374
Other assets (*)	-	199,899	344,110	-	544,009
Total assets	32,961	10,672,900	50,225,998	44,484	60,976,343
Liabilities and owners' equity					
Deposits and borrowings from other credit institutions	-	753,992	1,306,325	-	2,060,317
Deposits from customers	20,668	3,376,564	36,215,382	27,006	39,639,620
Derivatives and other financial liabilities	-	412,077	6,497,378	-	6,909,455
Valuable papers issued	-	-	4,067,000	-	4,067,000
Other liabilities	-	223,403	1,193,923	12	1,417,338
Equity and reserves	-	6,228,188	-	-	6,228,188
Total liabilities and owners' equity	20,668	10,994,224	49,280,008	27,018	60,321,918
Net on-balance sheet position	12,293	(321,324)	945,990	17,466	654,425
Total position	12,293	(321,324)	945,990	17,466	654,425

(*): the above balances exclude provision.



38. CONTINGENT LIABILITIES AND COMMITMENTS

38.1 Contingent Liabilities and Commitments

In normal course of business, the Bank is a party to use financial instrument which are recorded as off -balance sheet items. These financial instruments mainly comprise financial guarantees and commercial letters of credit. These instruments involve elements of credit risk apart from those recognized in the balance sheet.

Credit risk for off balance sheet financial instruments is defined as the possibility of sustaining a loss because any other party to a financial instrument fails to perform in accordance with the terms of the contract.

Financial guarantees are conditional commitments issued by the Bank to guarantee the performance of a customer to a third party including guarantee for borrowings, settlement, and contract performance and biddings, etc. The credit risk involved in issuing guarantees is essentially the same as that involved in extending facilities to customers; other guarantees have risk concentration at low level.

Letter of credit (L/C) transaction is a transaction where the Bank issues financial guarantees to the customers (buyer or importer as usual) in which the seller or exporter is the beneficiary.

The Bank requires margin deposits to support credit-related financial instrument when it is deemed necessary. The margin deposit required varies from nil to 100% of the value of a commitment granted, depending on the credit worthiness of customers as assessed by the Bank.

Details of contingent liabilities and commitments as at balance sheet date are as follows:

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Commitment on borrowing	279,879	6,464	-	-
Currency spot purchase	3,003,247	69,360	51,866,865	1,202,015
Currency spot sale	3,000,000	69,285	50,793,843	1,177,147
Currency swap commitment	355,571,076	8,211,914	808,999,871	18,748,572
Irrevocable loan commitment	24,160	558	-	-
Letters of credit	34,127,843	788,183	21,996,095	509,760
Other guarantess	46,150,844	1,065,854	45,848,142	1,062,531
	442,157,049	10,211,618	979,504,816	22,700,025

38.2 Other contingent Liabilities and Commitments

On 22 April 2020, the General Department of Taxation ("GDT") issued Official Letter No. 1606/TCT-DNL to provincial tax departments confirming that the letter of credit service is subject to Value-Added Tax ("VAT") according to the Law on VAT and the Law on Credit Institution. The rationale for such conclusion by the GDT is that based on the Law on Credit Institution No. 47/2010/QH12 dated 16 June 2010 (effective from 01 January 2011), the provision of a letter of credit is not defined as a lending arrangement but a kind of payment service. Therefore, fees paid to credit institutions for the provision of such letter of credit services should be subject to VAT at the rate of 10%. As a result, the GDT has now requested provincial tax departments to collect VAT in accordance with this technical position. The GDT Official Letter 1606 is vague on the retrospective application of this technical position, however since it cites the Law on Credit Institutions (which takes effect from 01 January 2011), it is likely that provincial tax departments will attempt to collect VAT on the provision of letter of credit services from 01 January 2011. In practice, provincial tax authorities are now adopting this tax position to collect VAT retroactively for some banks.

The Bank did consider the application of Official Letter 1606 and understand that particularly where there were some official letters issued by some provincial tax authorities in the past which have stated that fees paid for letter of credit services are not subject to VAT. The Board of Executives of Bank have assessed that the provision of a letter of credit by a credit institution is in the same nature of lending (and exempt from VAT) and believe that this issue has no material impact on the its financial statements for the year ended 31 December 2020. Therefore, no provision to be provided.

39. FINANCIAL INSTRUMENTS

Significant accounting policies

Details of the significant accounting policies and methods adopted (including the criteria for recognition, the bases of measurement, and the bases for recognition of income and expenses) for each class of financial asset and financial liability are disclosed in Note 4.

	Carrying amounts		Fair Value	
	Closing balance USD	Opening balance USD	Closing balance USD	Opening balance USD
Financial assets				
Cash on hand	8,390,747	8,982,154	8,390,747	8,982,154
Deposits with the State Bank of Vietnam	55,655,159	76,067,707	55,655,159	76,067,707
Deposits with other credit institutions	58,099,019	320,659,348	58,099,019	320,659,348
Lending to other credit institutions	127,102,694	66,807,443	127,102,694	66,807,443
Trading securities	354,902,659	291,344,133	(*)	(*)
Loans to customers	1,425,885,924	1,282,629,782	(*)	(*)
Available for sales securities	237,566,513	216,296,483	(*)	(*)
Accrued interest receivables	14,695,405	15,661,809	(*)	(*)
Other receivables	1,216,957	4,804,883	(*)	(*)
Financial liabilities				
Deposits from other credit institutions	85,102,666	298,612,620	(*)	(*)
Borrowings from other credit institutions	4,107,860	258,051,265	(*)	(*)
Deposits from customers	1,716,372,361	1,356,688,393	(*)	(*)
Derivatives and other financial liabilities	2,498,741	5,971,183	(*)	(*)
Valuable papers issued	176,098,723	78,181,701	(*)	(*)
Accrued interest payables	36,271,368	26,077,074	(*)	(*)
Other payables	25,098,537	29,264,427	(*)	(*)

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	Carrying amounts		Fair Value	
	Closing balance VND million equivalent	Opening balance VND million equivalent	Closing balance VND million equivalent	Opening balance VND million equivalent
Financial assets				
Cash on hand	193,784	208,161	193,784	208,161
Deposits with the State Bank of Vietnam	1,285,356	1,762,869	1,285,356	1,762,869
Deposits with other credit institutions	1,341,797	7,431,280	1,341,797	7,431,280
Lending to other credit institutions	2,935,437	1,548,262	2,935,437	1,548,262
Trading securities	8,196,477	6,751,901	(*)	(*)
Loans to customers	32,930,836	29,724,946	(*)	(*)
Available for sales securities	5,486,599	5,012,671	(*)	(*)
Accrued interest receivables	339,390	362,962	(*)	(*)
Other receivables	28,105	111,354	(*)	(*)
Financial liabilities				
Deposits from other credit institutions	1,965,446	6,920,347	(*)	(*)
Borrowings from other credit institutions	94,871	5,980,338	(*)	(*)
Deposits from customers	39,639,620	31,441,254	(*)	(*)
Derivatives and other financial liabilities	57,708	138,382	(*)	(*)
Valuable papers issued	4,067,000	1,811,861	(*)	(*)
Accrued interest payables	837,687	604,336	(*)	(*)
Other payables	579,651	678,204	(*)	(*)

(*) The Bank has not assessed fair value of its financial assets and liabilities as at the balance date since there are no comprehensive guidance under Circular 210/2009/TT-BTC dated 6 November 2009 issued by the Ministry of Finance and other relevant prevailing regulations to determine fair value of these financial assets and liabilities. While Circular No 210 refers to the application of IFRS on presentation and disclosures of financial instruments, it did not adopt the equivalent guidance for the recognition and measurement of financial instruments, including application of fair value, in accordance with IFRS.

40. OPERATING LEASE COMMITMENTS

	Current year		Prior year	
	USD	VND million equivalent	USD	VND million equivalent
Minimum lease payments under operating leases recognized in the income statement for the year	1,547,415	35,738	1,328,753	30,871

At the balance sheet date, the Bank had outstanding commitments under non-cancellable operating leases, which fall due as follows:

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Within one year	1,485,631	34,311	1,333,656	30,907
In the second to fifth year	2,920,784	67,456	2,532,522	58,691
After five years	1,445,635	33,387	538,167	12,472
	5,852,050	135,154	4,404,345	102,070

Operating lease commitments represent office rentals with the duration from one year to five years.

41. RELATED PARTY TRANSACTIONS AND BALANCES

List of related parties with significant transactions and balances for the year:

Related parties	Relationship
Vietinbank (Head office ("HO")/ Branch)	Owner
Cathay United (Head office ("HO")/Branch/ Representative Office)	Owner



The related parties' significant balances as at the balance sheet date were as follows:

	Closing balance		Opening balance	
	USD	VND million equivalent	USD	VND million equivalent
Deposits with other credit institutions				
Vietinbank HO	17,336,120	400,378	173,266,720	4,015,456
Branches of Vietinbank	776,519	17,934	1,256,470	29,119
Cathay United Bank	124,467	2,875	585,379	13,566
Deposits from other credit institutions				
Vietinbank HO	20,871	482	173,281,910	4,015,808
Cathay United Bank- Chu Lai Branch	706,718	16,322	1,328,666	30,792
Cathay United Bank Representative Office	44,647	1,031	39,341	912
Borrowings from other credit institutions				
Cathay United Bank	-	-	199,000,000	4,611,825
Interest payables				
Cathay United Bank	-	-	1,943,666	45,044
Bonds holding				
Vietinbank HO	12,989,825	300,000	16,094,930	373,000
Derivatives payables				
Cathay United Bank	89,255	2,061	427,886	9,916



42. COMPARATIVE FIGURES

Comparative figures are those of the audited financial statements for the year ended 31 December 2019. Certain reclassifications have been made to the prior year's figures to enhance their comparability with the current year's presentation of the income statement and statement of cash flows, specifically as follows:

	Previously reported amount		Reclassification		Amount after reclassification	
	USD	VND million equivalent	USD	VND million equivalent	USD	VND million equivalent
Income statement						
Interest and similar income	148,182,109	3,441,959	(512,823)	(11,924)	147,669,286	3,430,035
Interest expense and similar charges	(77,625,291)	(1,803,276)	512,823	11,924	(77,112,468)	(1,791,352)
Cashflow statement						
Cash paid to employees and related operating activities	(23,461,839)	(545,106)	760,836	17,363	(22,701,003)	(527,743)
Changes in other liabilities	21,532,904	510,563	(760,836)	(17,363)	20,772,068	493,200



Huynh Thanh Trung
Preparer



Tran Le Thuy
Chief Accountant



Kieu Chun Hao
General Director
12 March 2021

