

Vietnam Technological and Commercial Joint Stock Bank

The separate financial statements
in accordance with the Vietnamese Accounting Standards
and Accounting System for Credit Institutions

For the period from 01 January 2021 to 30 September 2021

Vietnam Technological and Commercial Joint Stock Bank

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Vietnam Technological and Commercial Joint Stock Bank

CORPORATE INFORMATION

Banking Licence No	0038/GP-NHNN	06 March 2018
	The banking licence was issued by the State Bank of Vietnam, replacing the banking licence No. 0040/NH-GP dated 06 August 1993. The operation period is 99 years since 06 August 1993.	
Business Registration	055697	07 September 1993
Certificate No	The Bank's Business Registration Certificate has been amended 52 times. The most recent of which is by Business Registration Certificate No. 0100230800 issued by Hanoi Department of Planning and Investment, dated 19 January 2021.	
Board of Directors	Mr. Ho Hung Anh	Chairman
	Mr. Nguyen Dang Quang	The first Vice Chairman
	Mr. Nguyen Thieu Quang	Vice Chairman
	Mr. Nguyen Canh Son	Vice Chairman
	Mr. Do Tuan Anh	Vice Chairman
	Mr. Ho Anh Ngoc	Vice Chairman (<i>from 24 April 2021</i>)
	Mr. Lee Boon Huat	Member
	Mr. Saurabh Narayan Agarwal	Member
	Mr. Nguyen Nhan Nghia	Independent Member
Board of Supervision	Mr. Hoang Huy Trung	Head of Board of Supervision cum Member in charge
	Ms. Bui Thi Hong Mai	Member in charge
	Mr. Mag Rec Soc Oec Romauch Hannes	Member

Vietnam Technological and Commercial Joint Stock Bank

CORPORATE INFORMATION (continued)

The Executive Team/	Mr. Jens Lottner	Chief Executive Officer
Chief of Division	Mr. Phung Quang Hung	Standing Deputy Chief Executive Officer
	Mr. Pham Quang Thang	Deputy Chief Executive Officer cum Chief Corporate Affairs Officer
	Mr. Phan Thanh Son	Deputy Chief Executive Officer cum Chief Global Transaction Service Officer cum Transformation Director
	Mr. Kalyanaraman Sivaramakrishnan	Deputy Chief Executive Officer <i>(from 10 January 2021)</i> cum Chief Risk Officer
	Mr. Trinh Bang	Group Chief Financial Officer cum Chief Strategy and Development Officer <i>(from 01 February 2021)</i>
	Ms. Phan Thi Thanh Binh	Chief Wholesale Banking Officer
	Mr. Vishal Shah	Chief Business Banking Officer
	Mr. Darren Buckley	Chief Retail Banking Group Officer <i>(from 08 August 2021)</i>
	Ms. Dang My Quyen	Chief Human Resources Officer
	Mr. Nguyen Anh Tuan	Chief Information Officer
	Mr. Chu Hong Ngoc	Chief Operations Officer
	Ms. Thai Minh Diem Tu	Chief Marketing Officer
	Mr. Santhosh Mahendiran	Chief Data and Analytics Officer
	Mr. Kyle Timothy Justin	Chief Transformation Officer
	Mr. Pranav Seth	Chief Digital Officer <i>(from 13 January 2021)</i>
Legal representative	Mr. Ho Hung Anh	Chairman
Registered office	191 Ba Trieu Street Hai Ba Trung District, Hanoi, Vietnam	

Vietnam Technological and Commercial Joint Stock Bank

SEPARATE BALANCE SHEET
as at 30 September 2021

Form B02a/TCTD

		Notes	09/30/2021 VND million	12/31/2020 VND million (audited)
A	ASSETS			
I	Cash and gold on hand	4	3,303,309	3,663,615
II	Balances with the State Bank of Vietnam (“the SBV”)	5	3,395,192	10,253,324
III	Balances with and credit granting to other financial institutions (“FIs”) and credit institutions (“CIs”)	6	77,126,838	28,748,303
1	Balances with other FIs and CIs		50,557,167	20,865,979
2	Credit granting to other FIs and CIs		26,569,671	7,882,324
IV	Held-for-trading securities	7	6,080,683	8,347,576
1	Held-for-trading securities		6,116,848	8,357,447
2	Provision for held-for-trading securities		(36,165)	(9,871)
V	Derivatives and other financial assets	18	25,202	-
VI	Loans to customers		306,019,311	271,197,350
1	Loans to customers	8	309,309,701	273,391,760
2	Provision for loans to customers	9	(3,290,390)	(2,194,410)
VII	Debt purchased	10	143,787	-
1	Debt purchased		144,874	-
2	Provision for debt purchased		(1,087)	-
VIII	Investment securities	11	87,136,148	81,672,624
1	Available-for-sale securities		87,502,460	81,836,592
2	Held-to-maturity securities		200,000	200,000
3	Provision for investment securities		(566,312)	(363,968)
IX	Long-term investments	12	1,462,813	1,461,806
1	Investments in subsidiaries		1,450,000	1,450,000
4	Other long-term investments		13,302	11,806
5	Provision for long-term investments		(489)	-
X	Fixed assets		7,060,182	4,567,199
1	Tangible fixed assets	13	3,512,444	1,442,663
a	Cost		4,532,016	2,355,545
b	Accumulated depreciation		(1,019,572)	(912,882)
2	Intangible fixed assets	14	3,547,738	3,124,536
a	Cost		4,389,378	3,863,306
b	Accumulated amortisation		(841,640)	(738,770)
XII	Other assets	15	31,580,078	22,808,625
1	Receivables		25,013,382	16,728,065
2	Accrued interest and fee receivables		5,727,825	5,015,763
4	Other assets		1,398,181	1,253,520
5	Provision for other on-balance sheet assets		(559,310)	(188,723)
	TOTAL ASSETS		523,333,543	432,720,422

The accompanying notes are integral part of the separate financial statements

Vietnam Technological and Commercial Joint Stock Bank

SEPARATE BALANCE SHEET
as at 30 September 2021 (continued)

Form B02a/TCTD

		Notes	09/30/2021 VND million	12/31/2020 VND million (audited)
B	LIABILITIES AND SHAREHOLDERS' EQUITY			
	LIABILITIES			
I	Deposits from the State Treasury		15,482	-
II	Deposits and borrowings from other FIs and CIs	16	83,604,531	46,279,957
1	Deposits from other FIs and CIs		31,078,825	21,232,089
2	Borrowings from other FIs and CIs		52,525,706	25,047,868
III	Deposits from customers	17	317,716,417	279,107,778
IV	Derivatives and other financial liabilities	18	-	266,926
VI	Valuable papers issued	19	30,579,252	27,470,673
VII	Other liabilities	20	11,324,251	10,873,622
1	Accrued interest and fee payables		2,992,436	3,244,836
3	Other liabilities		8,331,815	7,628,786
	TOTAL LIABILITIES		443,239,933	363,998,956
	SHAREHOLDERS' EQUITY			
VIII	Capital and reserves	21		
1	Capital		35,585,622	35,525,569
a	Charter capital		35,109,148	35,049,062
c	Share premium		476,474	476,507
2	Reserves		6,447,164	6,452,506
3	Exchange rate revaluation		15	-
5	Retained earnings		38,060,809	26,743,391
	TOTAL SHAREHOLDERS' EQUITY		80,093,610	68,721,466
	TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		523,333,543	432,720,422

The accompanying notes are integral part of the separate financial statements

Vietnam Technological and Commercial Joint Stock Bank

SEPARATE BALANCE SHEET
as at 30 September 2021 (continued)

Form B02a/TCTD

SEPARATE OFF-BALANCE SHEET ITEMS

		Notes	09/30/2021 VND million	12/31/2020 VND million (audited)
	CONTINGENT LIABILITIES			
1	Guarantees for borrowings		29,688	34,868
2	Commitments for currencies contracts		269,080,164	185,950,560
	<i>Commitments to buy spot foreign currencies</i>		4,600,898	1,605,493
	<i>Commitments to sell spot foreign currencies</i>		3,251,790	3,004,364
	<i>Commitments to buy currency swap contracts</i>		130,196,575	90,498,304
	<i>Commitments to sell currency swap contracts</i>		131,030,901	90,842,399
4	Letters of credit		44,034,263	30,880,187
5	Other guarantees		26,589,753	21,121,837
6	Valuable papers forward commitments		12,019,253	15,802,168
7	Other commitments		119,316,062	131,316,212
	<i>Commitments for cross currency swap in foreign currencies</i>		53,046,721	59,869,362
	<i>Commitments for cross currency swap in VND</i>		54,067,777	60,198,065
	<i>Commitments for interest rate swap in foreign currencies</i>		11,920,550	9,994,922
	<i>Commitments for interest rate swap in VND</i>		94,500	-
	<i>Other commitments</i>		186,514	1,253,863
8	Unused credit limit		233,969,220	155,200,484

Prepared by

Approved by

Ms. Bui Thi Khanh Van
Chief Accountant

Ms. Thai Ha Linh
Director of Accounting,
Financial Policy and Tax,
Finance and Planning Division

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Vietnam Technological and Commercial Joint Stock Bank

SEPARATE INCOME STATEMENT
for the period from 01 January 2021 to 30 September 2021

Form B03a/TCTD

		Notes	Quarter III		Accumulated	
			This year VND million	Last year VND million (reclassified)	This year VND million	Last year VND million (reclassified)
1	Interest and similar income	22	8,742,549	7,535,544	25,134,977	20,798,010
2	Interest and similar expenses	22	(2,238,192)	(2,543,761)	(6,309,509)	(7,966,674)
I	Net interest and similar income	22	6,504,357	4,991,783	18,825,468	12,831,336
3	Fee and commission income	23	1,115,570	965,214	3,390,840	2,668,214
4	Fee and commission expenses	23	(380,585)	(332,231)	(1,153,983)	(1,009,954)
II	Net fee and commission income	23	734,985	632,983	2,236,857	1,658,260
III	Net gain/(loss) from foreign currencies trading	24	91,418	45,850	257,293	(12,666)
IV	Net gain/(loss) from held-for-trading securities	25	(15,779)	127,714	180,840	293,610
V	Net gain/(loss) from investment securities	26	65,818	(70,957)	689,279	575,850
5	Other income	27	936,224	1,660,241	3,293,960	4,101,650
6	Other expenses	27	(790,566)	(837,716)	(2,080,798)	(2,525,958)
VI	Net gain from other activities	27	145,658	822,525	1,213,162	1,575,692
VII	Income from investments in other entities	28	20	150	62	300,189
VIII	Operating expenses	29	(2,434,254)	(2,481,950)	(7,343,364)	(6,299,147)
IX	Profit before provision expenses for credit losses		5,092,223	4,068,098	16,059,597	10,923,124
X	Provision expenses for credit losses	30	(565,364)	(1,034,629)	(1,974,553)	(2,239,620)
XI	Profit before tax		4,526,859	3,033,469	14,085,044	8,683,504
7	Current corporate income tax expenses	31	(915,715)	(606,678)	(2,767,626)	(1,669,615)
XII	Corporate income tax expenses	31	(915,715)	(606,678)	(2,767,626)	(1,669,615)
XIII	Net profit after tax		3,611,144	2,426,791	11,317,418	7,013,889

Prepared by

Approved by

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Director of Accounting,
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Vietnam Technological and Commercial Joint Stock Bank

SEPARATE STATEMENT OF CASH FLOWS
for the period from 01 January 2021 to 30 September 2021

Form B04a/TCTD

		Notes	From 01/01/2021 to 09/30/2021 VND million	From 01/01/2020 to 09/30/2020 VND million (reclassified)
	CASH FLOWS FROM OPERATING ACTIVITIES			
01	Interest and similar income received		24,237,394	20,064,154
02	Interest and similar expenses paid		(6,546,421)	(7,527,061)
03	Fee and commission income received		2,369,385	1,740,529
04	Net receipts from foreign currencies and securities trading activities		1,356,050	1,025,632
05	Other income received		342,590	791,025
06	Recoveries from loans previously written off	27	854,716	835,850
07	Operating and salary expenses paid		(5,930,177)	(5,144,500)
08	Current income tax paid in the period	36	(1,715,741)	(1,075,474)
	Net cash flows from operating activities before changes in operating assets and liabilities		14,967,796	10,710,155
	<i>Changes in operating assets</i>			
09	(Increase)/decrease in balances with and credit granting to other FIs and CIs		(18,687,347)	5,100,014
10	(Increase) in investment securities and held-for-trading securities		(4,175,269)	(26,429,855)
11	(Increase) in derivatives and other financial assets		(25,202)	-
12	(Increase)/decrease in loans to customers		(35,917,941)	862,782
13	Decrease in provision to write off	9	(521,547)	(3,119,284)
14	(Increase) in other operating assets		(11,913,236)	(4,108,219)
	<i>Changes in operating liabilities</i>			
16	Increase/(decrease) in deposits and borrowings from other FIs and CIs		37,324,574	(18,642,286)
17	Increase in deposits from customers (including the State Treasury)		38,624,121	20,150,352
18	Increase in valuable papers issued		3,108,579	5,405,088
20	(Decrease) in derivatives and other financial liabilities		(266,926)	(8,101)
21	(Decrease)/increase in other operating liabilities		(256,204)	271,755
22	Payments from reserves		(5,342)	(497)
I	NET CASH FLOWS FROM/(USED IN) OPERATING ACTIVITIES		22,256,056	(9,808,096)

The accompanying notes are integral part of the separate financial statements

Vietnam Technological and Commercial Joint Stock Bank

SEPARATE STATEMENT OF CASH FLOWS

Form B04a/TCTD

For the period from 01 January 2021 to 30 September 2021 (continued)

		<i>Notes</i>	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million (reclassified)</i>
	NET CASH FLOWS FROM INVESTING ACTIVITIES			
01	Payments for purchases of fixed assets		(649,101)	(407,270)
02	Proceeds from disposals of fixed assets		57,162	6,027
03	Payments for disposals of fixed assets		-	(551)
07	Payments for investments in other entities		(1,497)	-
09	Dividends received and profit shared from long-term investments	28	62	300,189
II	NET CASH FLOWS FROM INVESTING ACTIVITIES		(593,374)	(101,605)
	NET CASH FLOWS FROM FINANCING ACTIVITIES			
01	Proceed from/(payment for) share issuance		60,053	(5)
III	NET CASH FLOWS FROM/(USED IN) FINANCING ACTIVITIES		60,053	(5)
IV	NET CASH FLOWS FOR THE PERIOD		21,722,735	(9,909,706)
V	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD		35,532,918	46,514,283
VI	EXCHANGE RATE REVALUATION		15	(1,749)
VII	CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	32	57,255,668	36,602,828

Prepared by

Approved by

Ms. Bui Thi Khanh Van
Chief Accountant

Ms. Thai Ha Linh
Director of Accounting,
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The accompanying notes are integral part of the separate financial statements

Vietnam Technological and Commercial Joint Stock Bank

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Form B05a/TCTD

For the period from 01 January 2021 to 30 September 2021

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

1. GENERAL INFORMATION

Vietnam Technological and Commercial Joint Stock Bank (herein referred to as “the Bank”) is a joint stock bank incorporated and registered in the Socialist Republic of Vietnam.

The Bank’s Banking Licence No. 0038/GP-NHNN dated 06 March 2018 was issued by the SBV, replacing the Licence No. 0040/NH-GP dated 06 August 1993. Its operation year was 99 years since 06 August 1993.

The principal activities of the Bank are mobilising and receiving short, medium and long-term deposit funds from organisations and individuals; granting loans on short, medium and long-term basis up to the nature and ability of the Bank’s capital resources; conducting settlement, cash services and other banking services as approved by the SBV; conducting investments in associates, joint-ventures and other companies; investing in bonds and dealing in foreign exchange in accordance with applicable regulations.

As at 30 September 2021, the Bank’s charter capital was VND35,109,147,980,000 (as at 31 December 2020 was VND35,049,062,300,000).

The Bank’s Head Office is located at 191 Ba Trieu, Hai Ba Trung District, Hanoi. As at 30 September 2021, the Bank had one (01) Head Office, two (02) representative offices, three hundred and seven (307) transaction offices nationwide and three (03) subsidiaries.

As at 30 September 2021, the Bank had three (03) subsidiaries as follows:

<i>Subsidiaries</i>	<i>Operating licence</i>	<i>Nature of Business</i>	<i>% owned by the Bank</i>
Techcom Securities Joint Stock Company	72/GPĐC - UBCK, dated 04 November 2020 granted by the State Securities Commission	Securities activities	88.94843%
Vietnam Technological and Commercial Joint Stock Bank - Asset Management Company Limited	0102786255 dated 18 June 2008 granted by the Hanoi Department of Planning and Investment which was amended for the 22 nd time on 03 May 2019	Debt and asset management	100.00%
Techcom Capital Management Joint Stock Company	33/GPĐC - UBCK dated 05 June 2019 granted by the State Securities Commission	Fund management	88.99956%

As at 30 September 2021, the Bank had 11,625 employees (31 December 2020: 11,148 employees).

Vietnam Technological and Commercial Joint Stock Bank

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Form B05a/TCTD

For the period from 01 January 2021 to 30 September 2021 (continued)

2. BASIS OF PREPARATION OF THE SEPARATE FINANCIAL STATEMENTS

(a) Basis of preparation

These are the separate financial statements of the Bank which do not include financial statements of subsidiaries. The Bank prepares consolidated financial statements which include the Bank's and its subsidiaries' and issues them separately, in addition to the separate financial statements.

(b) Statement of compliance

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for CIs stipulated by the SBV and the relevant statutory requirements. These standards and statutory requirements may differ in some material aspects from the generally accepted accounting principles and standards of other countries. Accordingly, the accompanying separate financial statements are not intended to present the unconsolidated financial position, unconsolidated results of operations and unconsolidated cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their usage is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices.

(c) Basis of measurement

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

(d) Annual accounting period

The annual accounting period of the Bank is from 01 January to 31 December.

(e) Accounting currency

The separate financial statements are prepared and presented in Vietnam Dong ("VND"), rounded to the nearest million ("VND million").

(f) Applied accounting standards and regimes

The separate financial statements of the Bank are prepared in accordance with the Accounting System for CIs required under Decision No. 479/2004/QD-NHNN issued on 29 April 2004 by the Governor of the SBV which was enacted from 01 January 2005 and decisions on amendment and supplementation of Decision No. 479/2004/QD-NHNN, Decision No. 16/2007/QD-NHNN issued on 18 April 2007 and Circular No. 49/2014/TT-NHNN about changing and supplementing some Articles regarding financial reporting regime for CIs enacted with Decision No. 16/2017/QD-NHNN, Vietnamese Accounting Standards and related regulations issued by the Ministry of Finance as per:

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

Vietnam Technological and Commercial Joint Stock Bank

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Form B05a/TCTD

For the period from 01 January 2021 to 30 September 2021 (continued)

(g) **Basis of assumptions and uses of estimates**

The preparation of the separate financial statements requires the Executive Team to make estimates and assumptions that affect the reported amount of assets, liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the income, expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving various degrees of subjectivity and uncertainty. Therefore, actual results may differ, resulting in future adjustments in related items respectively.

(h) **Changes in policy and regulation, affected to preparation and presentation of Financial Statements**

The SBV issued Circular No. 03/2021/TT-NHNN (“Circular 03”) on 02 April 2021 and the Circular No.14/2021/TT-NHNN (“Circular 14”) on 07 September 2021, amending and supplementing a number of articles of the Circular No. 01/2020/TT-NHNN dated 13 March 2020 on regulating CIs and foreign bank branches carrying out debt rescheduling, giving exemption from or reduction of loan interests and charges, and maintaining classified loan groups in order to help their clients affected by the Covid-19 pandemic. Accordingly, CIs conduct debt rescheduling debit balance of debts that fully meet the conditions regulated in Article 04 of Circular 14.

Circular 03 requires CIs to estimate the loan loss provision for borrowers whose debts are rescheduled or granted interest exemption or reduction based on 2 scenario of debt classification: (1) loan groups remain the same as before restructuring, being given interest exemption/reduction; (2) loan groups are classified in accordance with regulations of the SBV on debt classification by CIs. In case the difference in specific provision between scenario (2) and (1) is positive, CIs shall make additional provision as follows: at least 30% of the additional provision at 31 December 2021; at least 60% of the additional provision at 31 December 2022 and 100% of the additional provision at 31 December 2023.

From 01 January 2024, pursuant to regulations of the SBV, CIs make loan loss provision for all the outstanding debts and off-balance sheet commitments including the outstanding debts that are rescheduled, granted interest exemption, interest reduction or debt category retention prescribed by Circular 03.

Vietnam Technological and Commercial Joint Stock Bank

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Form B05a/TCTD

For the period from 01 January 2021 to 30 September 2021 (continued)

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The following significant accounting policies have been adopted by the Bank in preparing the separate financial statements.

(a) Cash and cash equivalents

Cash and cash equivalents include cash on hand, gold on hand, balances with the SBV, Government promissory notes and other valuable papers which are eligible for discount, balances with other FIs and CIs without a term and with original terms not exceeding three months, and investment securities with maturity period not exceeding three months from the acquisition date, which are readily convertible into known amounts of cash and subject to an insignificant risk of change in value.

(b) Balances with and credit granting to other FIs and CIs

Balances with and credit granting to other FIs and CIs are stated at cost. The classification of credit risk for balances with and credit granting to other FIs and CIs and the corresponding provision are made in accordance with Circular No. 02/2013/TT-NHNN issued by the SBV on 21 January 2013 on asset classification, risk provisioning and use of provision against credit risks by CIs and foreign bank branches ("Circular 02") and Circular No. 09/2014/TT-NHNN issued by the SBV on 18 March 2014 amending and supplementing a number of articles of Circular 02 ("Circular 09"). Accordingly, the Bank is required to make specific provision for balances with (except for current accounts at domestic CIs and foreign bank branches the territory of in Vietnam) and credit granting to other FIs and CIs as described in Note 3(e).

According to Circular 02, the Bank is not required to make general provision for balances with and credit granting to other FIs and CIs.

(c) Held-for-trading securities

(i) *Classification and recognition*

Held-for-trading securities are debt securities purchased by the Bank that are intended to be sold in a short time to benefit from arbitrage opportunities. Held-for-trading securities are initially recognised at cost.

(ii) *Measurement*

Listed debt held-for-trading securities are stated at cost less provision for diminution in value of securities by reference to Circular No. 48/2019/TT-BTC dated 08 August 2019 of the Ministry of Finance ("Circular 48").

Debt held-for-trading securities which are unlisted corporate bonds are stated at cost less provision for credit risk in compliance with Circular 02 and Circular 09 as described in Note 3(e).

As far as other debt held-for-trading securities are concerned, the provision is determined in compliance with Circular 48.

Specific provision for credit risk and provision for diminution in value of held-for-trading securities as described above are reversed when the subsequent increase in the recoverable value of the securities is due to the objective events occurring after provisions are made. The maximum amount reversed cannot exceed book value of the securities before making provisions.

Gains or losses from the sales of held-for-trading securities are recognised in the separate income statement.

Vietnam Technological and Commercial Joint Stock Bank

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Form B05a/TCTD

For the period from 01 January 2021 to 30 September 2021 (continued)

(iii) *De-recognition*

Held-for-trading securities are derecognized when the rights to receive cash flows from these securities are terminated or the Bank transfers the substantial risks and rewards of ownership of these securities.

(d) **Loans to customers**

Loans to customers are stated at the amount of the principal outstanding less provision for credit losses of loans to customers.

Short-term loans are those with a repayment date within one (01) year from the loan disbursement date, medium-term loans are those with a repayment date from one (01) to five (05) years from the disbursement date, long-term loans are those with a repayment date of more than five (05) years from the disbursement date.

The classification of loans and provision for credit losses are carried out in accordance with Circular 02 and Circular 09 as described in Note 8 and Note 9.

(e) **Debt classification and provisioning rate, risk provisioning for balances with and credit granting to other FIs and CIs, investments and trusted investments in unlisted corporate bonds, loans to customers and entrustments for credit granting**

Classification for balances with and credit granting to other FIs and CIs, investments and trusted investments amount in unlisted corporate bonds, loans to customers and entrustments for credit granting (here refer as “debts”) is made by the quantitative method as regulated under Article 10 of Circular 02.

Specific provision as at 30 September is made based on the principal balance less discounted value of collaterals multiplied by provision rates which are determined based on the debt classification as at 31 August. The basis to determine the value and discounted value for each type of collateral is specified in Circular 02 and Circular 09.

Debt groups and the rates for specific provision for each group are presented as follows:

Group		Description	Provision rate
1	Current	(a) Current debts that being assessed as fully and timely recoverable, both principals and interests; or (b) Debts which are overdue for a period of less than 10 days and being assessed as fully recoverable, both overdue principals and interests, and fully and timely recoverable, both remaining principals and interests.	0%
2	Special mention	(a) Debts which are overdue for a period of between 10 days and 90 days; or (b) Debts which are restructured repayment term for the first time.	5%

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Group		Description	Provision rate
3	Sub standard	<p>(a) Debts which are overdue for a period of between 91 days and 180 days; or</p> <p>(b) Debts which are extended repayment term for the first time; or</p> <p>(c) Debts which are exempted or reduced interests because customers are not sufficient capability to pay all interests under credit contracts; or</p> <p>(d) Debts in one of the following cases have not been recovered in less than 30 days from the date of the decision to collect:</p> <ul style="list-style-type: none"> ▪ Debts violating Clauses 1, 3, 4, 5, 6 of Article 126 of the Law on CIs; or ▪ Debts violating Clauses 1, 2, 3, 4 of Article 127 of the Law on CIs; or ▪ Debts violating Clauses 1, 2, 5 of Article 128 of the Law on CIs; or <p>(e) Debts which are recovered under inspection conclusions.</p>	20%
4	Doubtful	<p>(a) Debts which are overdue for a period of between 181 days and 360 days; or</p> <p>(b) Debts which are restructured repayment term for the first time but still overdue for a period of less than 90 days under that restructured repayment term; or</p> <p>(c) Debts which are restructured repayment term for the second time; or</p> <p>(d) Debts which are specified in point (d) of Group 3 and overdue for a period of between 30 days and 60 days after decisions on recovery have been issued; or</p> <p>(e) Debts which must be recovered under inspection conclusions but fail to be repaid although recovery term was overdue from 60 days ago.</p>	50%
5	Loss	<p>(a) Debts which are overdue for a period of more than 360 days; or</p> <p>(b) Debts which are restructured repayment term for the first time but still overdue for a period of 90 days or more under that first restructured repayment term; or</p> <p>(c) Debts which are restructured repayment term for the second time but still overdue under that second restructured repayment term; or</p> <p>(d) Debts which are restructured repayment term for the third time or later, whether debts are overdue or not; or</p> <p>(e) Debts which are specified in point (d) of Group 3 and overdue for a period of more than 60 days after decisions on recovery have been issued; or</p> <p>(f) Debts which must be recovered under inspection conclusions but fail to be repaid although recovery term was overdue for more than 60 days; or</p> <p>(g) Debts of customers being CIs which are announced by the SBV to place in special control status, or foreign banks' branches of which capital and assets are blockaded.</p>	100%

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

When participating in a syndicated loan as a participant, the Bank classifies loans (including syndicated loans) of the customer into a higher risk group between assessment of the leading bank and its own assessment.

In accordance with the requirements of Circular 02, as at 30 September the Bank is also required to make a general provision of 0.75% of total outstanding loans excluding balances with and credit granting to other FIs and CIs and excluding any loans classified into loss group as at 31 August.

The Bank also collects debt classification results of the customers provided by the Credit Information Center of the SBV ("CIC") at the date of debt classification to reflect on its own classification. If customer's debts and off-balance sheet commitments are classified in a debt group lower than those provided by CIC, the Bank shall adjust its classification of debts and off-balance sheet commitments following the debt group provided by CIC.

(f) Investment securities

(i) Classification

Investment securities include available-for-sale investment securities and held-to-maturity investment securities. The Bank initially recognises investment securities at cost. The Bank classifies investment securities at purchase date. According to Official Letter No. 2601/NHNN-TCKT by the SBV dated 14 April 2009, for investment securities, the Bank is allowed to reclassify only once after initial recognition.

Held-to-maturity investment securities

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

Available-for-sale investment securities

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

(ii) Recognition

The Bank recognises investment securities on the date that it acquires the substantial risks and rewards of owning these securities.

(iii) Measurement

Debt securities

Debt securities are initially stated at cost, including transaction costs and other directly attributable costs. They are subsequently recognised at amortized cost (affected by premium/discount amortization) less provision for credit risks and diminution in value of securities. Premium and discounts arising from purchases of debt securities are amortized to the separate income statement on a straight-line basis over the period from the acquisition date to the maturity date.

Post-acquisition interest income of available-for-sale debt securities and held-to-maturity debt securities is recognized in the separate income statement on accrual basis.

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Listed available-for-sale debt securities and held-to-maturity investment securities are measured at cost less provision for diminution in the value of securities which is determined in compliance with Circular 48.

For unlisted corporate debt securities, provision for credit risks is determined in accordance with Circular 02 as described in Note 3(e).

For other available-for-sale debt securities and held-to-maturity debt securities, provision for diminution in the value of securities is determined in accordance with Circular 48.

(g) Long-term investments

(i) Investments in subsidiaries

Subsidiaries are entities controlled by the Bank. Control exists when the Bank has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

Investments in subsidiaries are recorded at cost less provision for diminution in the value of investments (if any) in the separate financial statements. Distributions from the accumulated net profits of the subsidiaries arising subsequent to the acquisition date are recognised in the separate income statement.

(ii) Other long-term investments

Other long-term investments are investments in other entities in which the Bank holds less than 11.00% of voting rights (in compliance with requirements on prudential ratios of the operations of CIs stipulated by the SBV) and the Bank is the founding shareholder; or strategic partner; or the Bank has certain but not significant influence on the entity's financial and operational policies under written agreement on delegating its representatives to take part in the Board of Director/Management.

Other long-term investments are carried at cost at the transaction date and continuously carried at cost less provision for diminution in the value of investments (if any) in the subsequent holding periods.

(iii) Provision for diminution in the value of long-term investments

Provision for diminution in the value of other long-term investments is made when the business entities invested have signs of decrease in value, except when this situation was anticipated in the initial business plan before the date of investment. Accordingly, provision for each investment is calculated as the difference between the actual contributed capital of all owners in the subsidiaries and business entities and the outstanding equity of the business entities multiplying by (x) the proportion of capital contributed by the Bank in the subsidiaries and business entities regulated in Circular 48.

(h) Derivative financial instruments

(i) Currency derivatives

For currency forwards and swaps, the difference between values in VND of the foreign currencies committed to buy/sell translated at the forward rate and at the spot rate at the effective contract date is initially recognised as an asset if the difference is positive and as a liability if the difference is negative in the separate balance sheet. This difference is subsequently amortised on a straight-line basis over the term of the contract in the separate income statement.

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For currency option, the nominal value of the contract is not recognised in the separate balance sheet. Option fee paid or received is recorded as a receivable or payable and is amortised on a straight-line basis into income or expense over the term of the contract. At the date of the separate financial statements, the profits or losses from buying or selling option contract which have been incurred but not yet realised shall be determined and recognised in the separate income statement on the basis of market price, the exercise price of the underlying item, trading volume and the effective date of the contract.

(ii) Interest rate swaps

The nominal value of interest rate swap contracts is not recognised in the separate balance sheet. Differences in paid and received interest rates are recorded as a receivable or payable which is amortised on a straight-line basis into income or expense over the term of the contract. At the date of the separate financial statements, the profits or losses from buying or selling interest rate swap contracts which have incurred but not yet realised shall be determined and recognised in the separate income statement on the basis of market price, the exercise price of the underlying item, trading volume and the effective date of the contract.

(iii) Futures commodity contracts

The Bank acts as a broker for its customers in entering into the futures commodity contracts, therefore, values of these contracts are not recognised on the separate balance sheet. Fee from these brokerage services is recognised in the separate income statement.

(i) Tangible fixed assets

(i) Cost

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use, and other direct related expenses. Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is normally charged to the separate income statement in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of an item of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(ii) Depreciation

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

▶ Buildings and building improvements	8 - 50 years
▶ Machines and equipments	3 - 10 years
▶ Vehicles	6 - 10 years
▶ Other fixed assets	4 - 10 years

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(j) Intangible fixed assets

(i) Software

The cost of acquiring new software which is not an integral part of the related hardware is capitalised and treated as an intangible asset. Amortisation is computed on a straight-line basis from 4 to 8 years.

(ii) Land use rights

Definite land use rights

Definite land use rights are stated at cost less accumulated amortisation. The initial cost of a definite land use right comprises payments for legally land use rights plus expenses for compensations of land clearance, registration fee. Amortisation is computed on a straight-line basis over the time permitted for land use rights.

Indefinite land use rights

Indefinite land use rights are stated at cost and are not amortised. The initial cost of indefinite land use right comprises payments for legally land use rights plus expenses for compensations of land clearance, registration fee.

(iii) Other intangible fixed assets

Other intangible fixed assets are stated at cost less accumulated amortisation. Amortisation is computed on a straight-line basis from 4 to 8 years.

(k) Account receivables

Account receivables other than receivables from credit activities of the Bank are initially recorded at cost and always carried at cost subsequently.

Provision for other receivables is made based on the overdue status of the receivable or estimated possible loss in case the receivable is not yet overdue but the debtors are bankrupted or liquidated for corporate entities or are dead, missing or under legal claim for individual. Provision expenses incurred are recorded in the separate income statement.

For overdue receivables, the Bank uses provision rates based on the overdue days in accordance with Circular 48 as below:

<i>Overdue days</i>	<i>Provision rate</i>
• From six (06) months up to one (01) year	30%
• From one (01) year up to two (02) years	50%
• From two (02) years up to three (03) years	70%
• More than three (03) years	100%

Classifications and provisioning for debts sold

According to Circular 02 and Circular 09, provisions for receivables from a debt which has been sold not yet collected are made based on the debt classification and collateral value as before selling date.

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(l) Other provision

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

(m) Employee benefits

(i) 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 Labor, 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 17.50% of an employee's basic salary on a monthly basis. Besides, the Bank has no further obligation.

(ii) Provision for severance allowance

Under the Vietnamese Labour Code, when an employee who has worked for 12 months or more ("eligible employee") voluntarily terminates his labour contract, the employer is required to pay the eligible employee severance allowance calculated based on years of service and employee's compensation at termination. Provision for severance allowance has been provided based on employees' years of service and their current salary level.

Pursuant to Law on Social Insurance, effective from 01 January 2009, the Bank and its employees are required to contribute to an unemployment insurance fund managed by the Vietnam Social Insurance Agency. The contribution to be paid by each party is calculated at 1.00% of the lower of the employees' basic salary and 20 times the general minimum salary level as specified by the Government from time to time. With the implementation of the unemployment insurance scheme, the Bank is no longer required to provide severance allowance for the service period after 01 January 2009. However, severance allowance to be paid to existing eligible employees will be determined based on the eligible employees' years of service as of 31 December 2008 and their average salary for the six-month period prior to the termination date.

(iii) Retrenchment benefits

The Bank has the obligation, under Section 17 of the Vietnam Labor Code, to pay allowance to employees who are retrenched as a result of organizational restructuring or technological changes. In such case, the Bank shall pay to 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. Increase or decrease provision balance will be recorded in operating expenses of the period.

(n) Other payables

Other payables are stated at their cost.

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(o) Share capital

(i) Ordinary shares

Ordinary shares are classified as owner's equity. Incremental costs directly attributable to the issuance of ordinary shares are recognised as a deduction from equity.

(ii) Share premium

On receipt of proceeds from share issuance from shareholders, the difference (increase or decrease) between the issue price and the par value of the shares is recorded in share premium account in owner's equity (including the re-issuance of the treasury shares), as well as the direct cost related to the ordinary share issuance or treasury share re-issuance.

(iii) Treasury shares

Equity instruments acquired by the Bank (treasury shares) are recognised at cost and deducted from equity. The Bank does not record any gain or loss from the purchase, sale, issuance or cancellation of equity instruments.

(p) Reserves and funds

The Bank is required to make the following reserves before distribution of profits in accordance with Law on CIs No. 47/2010/QH12 and Decree No. 93/2017/ND-CP and Charter of the Bank:

	<i>Annual allocation</i>	<i>Maximum balance</i>
Reserve to supplement charter capital	5.00% of profit after tax	100.00% charter capital
Financial reserve	10.00% of profit after tax	Not regulated

Financial reserve is used to cover financial losses incurred during the normal course of business. Financial reserve and reserve to supplement charter capital are non-distributable and classified as equity.

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

(q) Fiduciary assets

Assets held in a fiduciary capacity are not recognised on the separate financial statements as they are not assets of the Bank.

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(r) Revenue recognition

(i) Interest income

Interest income is recognised in the separate income statement on accrual basis, except for interest on loans classified in Group 2 to Group 5 as described in Note 3(e) and restructured loans kept unchanged in Group 1 as a result of implementation of Circular 03 and Circular 14. When loans are classified in Group 2 to Group 5 as defined in Note 3(e) or kept unchanged in Group 1 as a result of implementation of Circular 03 and Circular 14, interest receivable will be derecognised and recorded in the off-balance sheet. Interest income on these loans are recognised in the separate income statement upon receipt.

(ii) Fee and commission income

Fees and commissions are recognised in the separate income statement on accrual basis.

(s) Dividend income

Dividends income in cash are recognised in the separate income statement when the Bank's right to receive payment is established.

In accordance with Circular No. 244/TT-BTC dated 31 December 2009 issued by the Ministry of Finance, dividends received in the form of shares, bonus shares and rights to purchase shares of the existing shareholders, dividends received by the Bank in form of shares distributed from retained earnings are not recognised as an increase in the value of the investment and income is not recognised in the separate income statement. Instead, only the change in the number of shares held by the Bank will be updated and presented.

(t) Income and expenses from the sales and purchases of debts

Income and expenses from the sales and purchases of debts are recognized in accordance with Circular No. 09/2015/TT-NHNN dated 01 September 2015 providing guidance on the sale and purchase of debts of CIs and foreign bank branches.

According to Circular No. 09/2015/TT-NHNN, the difference between the prices of debts sold or purchased and their book value is recorded as follows:

- ▶ For debts recorded in on-balance sheet:
 - If the sale price is higher than the book value of the debt, the difference shall be recorded as income of the Bank in the period.
 - If the sale price is lower than the book value of the debt, the difference shall be offset by the indemnity paid by an individual or guarantor (in case such individual or guarantor is determined to be responsible for the damage and obliged to make indemnity under prevailing regulations), or the compensation paid by the insurer, or utilisation of outstanding provision recognized as expense previously. The remaining balance (if any) shall be recognized as an other expense of the Bank in the period.
- ▶ For debts written-off and monitored off-balance sheet, the proceeds from sale of debts shall be recognized as other income of the Bank.

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Book value of debts sold or purchased is the book value of the principal, interest and related financial obligations of debts (if any) recorded in the on-balance sheet or off-balance sheet at the date of debts sold or purchased; or the book value at the date of writing-off of debts; or the book value of debts written-off previously at the date of debts sold or purchased.

The selling or purchasing price is the total amount to be paid by a debt buyer to a debt seller under a debt sale or purchase contract.

Debt classification and provision

The Bank is required to classify and make provision for the amount of loans purchased and the amount of receivables from loans sold as regulated in Circular 02 and Circular 09.

(u) Interest expenses

Interest expenses are recognised on the separate income statement on accrual basis.

(v) Operating lease payments

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

(w) Foreign currency transactions

Monetary assets and liabilities denominated in foreign currencies are translated into VND using exchange rates ruling at the separate balance sheet date. Non-monetary items arising in foreign currencies during the period are converted into VND at rates ruling on the transaction dates. Income/expense transactions incurred in foreign currencies are recognised in the separate income statement in VND using the exchange rates ruling on the dates of the transactions.

Foreign exchange differences arising from the translation of monetary assets and liabilities into VND in the period are recognized and followed in the “Foreign exchange differences” under “Owner’s equity” in the separate balance sheet and will be transferred to the separate income statement at the end of the financial year.

(x) Financial instruments

In its business operation, the Bank regularly enters into contracts which give rise to financial assets, financial liabilities and equity instruments.

Financial assets of the Bank mainly include:

- ▶ Cash and gold on hand;
- ▶ Balances with the SBV and other CIs;
- ▶ Credit granting to other FIs and CIs;
- ▶ Loans to customers;
- ▶ Held-for-trading securities;
- ▶ Investment securities;

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- ▶ Long-term investments;
- ▶ Derivative financial assets; and
- ▶ Other financial assets.

Financial liabilities of the Bank mainly include:

- ▶ Deposits from the Government;
- ▶ Deposits and borrowings from other FIs and CIs;
- ▶ Deposits from customers;
- ▶ Valuable papers issued;
- ▶ Derivative financial liabilities; and
- ▶ Other financial liabilities.

Financial assets and financial liabilities are offset and reported in the separate balance sheet on a net basis only when there is a currently enforceable legal right to offset financial assets against financial liabilities or vice-versa, and there is an intention to settle on a net basis, or to realise the asset and settle the liability simultaneously.

(i) Recognition

The Bank initially recognises financial assets and liabilities on the trade date at which the Bank becomes a party to the contractual provision of the instruments.

Financial assets and liabilities are measured at costs that are directly attributable to their acquisition or issuance.

(ii) De-recognition

The Bank derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset through a transaction in which the substantial risks and rewards of ownership of the financial asset are transferred or in which the Bank neither transfers nor retains substantial risks and rewards of ownership and it does not retain control of the financial asset.

The Bank derecognises a financial liability when its contractual obligations are discharged, cancelled or expired.

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(y) Taxation

Corporate income tax on the profit or loss for the period comprises current and deferred tax. Corporate income tax is recognised in the separate income statement.

Current tax is the expected tax payable on the taxable income for the period, using tax rates enacted or substantially enacted at the separate balance sheet date, and any adjustments to tax payable in respect of previous year.

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

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

The Bank's tax returns are subject to be examined by the tax authorities. Because the application of laws and regulations on taxation for different types of transactions can be interpreted in many different ways, the amounts presented on the separate financial statements may be subject to be changed according to final decision of the tax authorities.

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4. CASH AND GOLD ON HAND

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
Cash on hand in VND	2,958,101	3,408,588
Cash on hand in foreign currencies	340,761	249,944
Gold on hand	4,447	5,083
	<u>3,303,309</u>	<u>3,663,615</u>

5. BALANCES WITH THE STATE BANK OF VIETNAM

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
Current deposit and compulsory reserve balance in VND	3,394,020	10,231,475
Current deposit and compulsory reserve balance in foreign currencies	1,172	21,849
	<u>3,395,192</u>	<u>10,253,324</u>

6. BALANCES WITH AND CREDIT GRANTING TO OTHER FINANCIAL INSTITUTIONS AND CREDIT INSTITUTIONS

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
Demand deposits	9,362,327	6,985,539
Demand deposits in VND	211,861	677,792
Demand deposits in foreign currencies	9,150,466	6,307,747
Term deposits	41,194,840	13,880,440
Term deposits in VND	35,300,000	8,272,000
Term deposits in foreign currencies	5,894,840	5,608,440
	<u>50,557,167</u>	<u>20,865,979</u>
Credit granting to other FIs and CIs	26,569,671	7,882,324
Credit granting in VND	24,864,655	7,399,254
Credit granting in foreign currencies	1,705,016	483,070
	<u>77,126,838</u>	<u>28,748,303</u>

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7. HELD-FOR-TRADING SECURITIES

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
	<u> </u>	<u> </u>
Debt securities		
- Government bonds	3,199,113	4,035,936
- Bonds issued by local CIs	2,917,735	4,321,511
<i>In which: Bonds guaranteed by the Government for settlement</i>	<i>-</i>	<i>128,615</i>
	<u>6,116,848</u>	<u>8,357,447</u>
Provision for credit risk of unlisted securities	(2,330)	-
Provision for diminution in value of listed securities	(33,835)	(9,871)
	<u>6,080,683</u>	<u>8,347,576</u>

Movements in provision for held-for-trading securities for the period from 01/01/2021 to 09/30/2021 were as follows:

<i>VND million</i>	<i>Provision for credit risk of unlisted securities</i>	<i>Provision for diminution in value of listed securities</i>	<i>Total</i>
	<u> </u>	<u> </u>	<u> </u>
Opening balance	-	9,871	9,871
Provision made in the period (Note 25)	2,330	23,964	26,294
Closing balance	<u>2,330</u>	<u>33,835</u>	<u>36,165</u>

Movements in provision for held-for-trading securities for the period from 01/01/2020 to 09/30/2020 were as follows:

<i>VND million</i>	<i>Provision for credit risk of unlisted securities</i>	<i>Provision for diminution in value of listed securities</i>	<i>Total</i>
	<u> </u>	<u> </u>	<u> </u>
Opening balance	8,184	3,223	11,407
Provision (reversed)/made in the period (Note 25)	(6,683)	3,688	(2,995)
Closing balance	<u>1,501</u>	<u>6,911</u>	<u>8,412</u>

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8. LOANS TO CUSTOMERS

	<i>09/30/2021</i>	<i>12/31/2020</i>
	<i>VND million</i>	<i>VND million</i>
		<i>(audited)</i>
Loans to local economic entities and individuals	304,686,658	271,461,309
Discounted bills and valuable papers	4,569,744	1,815,974
Loans financed by trusted funds	51,883	113,310
Payments on behalf of customers	1,416	-
Loans to foreign economic entities and individuals	-	1,167
	<u>309,309,701</u>	<u>273,391,760</u>

Loan portfolio by loan group was as follows:

	<i>09/30/2021</i>		<i>12/31/2020</i>	
	<i>VND million</i>	<i>%</i>	<i>VND million</i>	<i>%</i>
			<i>(audited)</i>	
Group 1 - Current	304,482,365	98.44	270,290,919	98.87
Group 2 - Special mention	2,998,580	0.97	1,805,866	0.66
Group 3 - Substandard	727,250	0.24	416,892	0.15
Group 4 - Doubtful	658,816	0.21	533,944	0.19
Group 5 - Loss	442,690	0.14	344,139	0.13
	<u>309,309,701</u>	<u>100.00</u>	<u>273,391,760</u>	<u>100.00</u>

Loan portfolio by term was as follows:

	<i>09/30/2021</i>		<i>12/31/2020</i>	
	<i>VND million</i>	<i>%</i>	<i>VND million</i>	<i>%</i>
			<i>(audited)</i>	
Short term	84,480,808	27.32	88,041,984	32.21
Medium term	102,296,974	33.07	85,255,104	31.18
Long term	122,531,919	39.61	100,094,672	36.61
	<u>309,309,701</u>	<u>100.00</u>	<u>273,391,760</u>	<u>100.00</u>

Vietnam Technological and Commercial Joint Stock Bank

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

Form B05a/TCTD

For the period from 01 January 2021 to 30 September 2021 (continued)

9. PROVISION FOR LOANS TO CUSTOMERS

Provision for loans to customers consists of:

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
General provision	2,302,612	1,859,851
Specific provision	987,778	334,559
	3,290,390	2,194,410

Movements in provision for loans to customers for the period from 01/01/2021 to 09/30/2021 were as follows:

<i>VND million</i>	<i>Specific provision</i>	<i>General provision</i>	<i>Total</i>
Opening balance	334,559	1,859,851	2,194,410
Provision made in the period (<i>Note 30</i>)	1,174,766	442,761	1,617,527
Utilisation of provision in the period	(521,547)	-	(521,547)
Closing balance	987,778	2,302,612	3,290,390

Movements in provision for loans to customers for the period from 01/01/2020 to 09/30/2020 were as follows:

<i>VND million</i>	<i>Specific provision</i>	<i>General provision</i>	<i>Total</i>
Opening balance	1,264,759	1,641,316	2,906,075
Provision made in the period (<i>Note 30</i>)	2,213,104	32,101	2,245,205
Utilisation of provision in the period	(3,119,284)	-	(3,119,284)
Closing balance	358,579	1,673,417	2,031,996

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For the period from 01 January 2021 to 30 September 2021 (continued)

10. DEBT PURCHASED

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
	<u> </u>	<u> </u>
Debt purchased in VND	144,874	-
Provision for debt purchased	(1,087)	-
	<u>143,787</u>	<u>-</u>

Breakdown of debt purchased was as follows:

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
	<u> </u>	<u> </u>
Principals of debt purchased	144,874	-
	<u>144,874</u>	<u>-</u>

Vietnam Technological and Commercial Joint Stock Bank

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For the period from 01 January 2021 to 30 September 2021 (continued)

11. INVESTMENT SECURITIES

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
	<u> </u>	<u> </u>
Available-for-sale securities		
<i>Debt securities</i>		
- Government bonds	14,249,081	17,161,695
- Bonds issued by local CIs	20,059,316	20,230,134
<i>In which: Bonds guaranteed by the Government for settlement</i>	<i>6,177,724</i>	<i>9,568,061</i>
- Bonds issued by local economic entities	53,194,063	44,444,346
<i>Equity securities</i>		
- Equity securities issued by local economic entities	-	417
	<u>87,502,460</u>	<u>81,836,592</u>
Provision for credit risk of unlisted securities	(480,276)	(353,971)
Provision for diminution in value of listed securities	(46,121)	(8,497)
	<u>86,976,063</u>	<u>81,474,124</u>
Held-to-maturity securities		
<i>Debt securities</i>		
- Bonds issued by local economic entities	200,000	200,000
	<u>200,000</u>	<u>200,000</u>
Provision for credit risk of unlisted securities	(39,915)	(1,500)
	<u>160,085</u>	<u>198,500</u>
	<u>87,136,148</u>	<u>81,672,624</u>
Provision for investment securities includes:		
	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
	<u> </u>	<u> </u>
Provision for credit risk of unlisted securities	520,191	355,471
Provision for diminution in value of listed securities	46,121	8,497
	<u>566,312</u>	<u>363,968</u>

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For the period from 01 January 2021 to 30 September 2021 (continued)

Movements in provision for investment securities for the period from 01/01/2021 to 09/30/2021 were as follows:

<i>VND million</i>	<i>Provision for credit risk of unlisted securities</i>	<i>Provision for diminution in value of listed securities</i>	<i>Total</i>
Opening balance	355,471	8,497	363,968
Provision made in the period (Note 26)	164,720	37,624	202,344
Closing balance	520,191	46,121	566,312

Movements in provision for investment securities for the period from 01/01/2020 to 09/30/2020 were as follows:

<i>VND million</i>	<i>Provision for credit risk of unlisted securities</i>	<i>Provision for diminution in value of listed securities</i>	<i>Total</i>
Opening balance	290,212	2,183	292,395
Provision made in the period (Note 26)	125,432	46,401	171,833
Closing balance	415,644	48,584	464,228

12. LONG-TERM INVESTMENTS

	<i>09/30/2021 VND million</i>	<i>12/31/2020 VND million (audited)</i>
Investments in subsidiaries – cost	1,450,000	1,450,000
Other long-term investments – cost	13,302	11,806
Provision for long-term investments	(489)	-
	1,462,813	1,461,806

Vietnam Technological and Commercial Joint Stock Bank

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For the period from 01 January 2021 to 30 September 2021 (continued)

13. TANGIBLE FIXED ASSETS

For the period from 01/01/2021 to 09/30/2021

<i>VND million</i>	<i>Buildings and building improvements</i>	<i>Machines and equipments</i>	<i>Vehicles</i>	<i>Other fixed assets</i>	<i>Total</i>
Cost					
Opening balance	261,348	1,825,080	267,761	1,356	2,355,545
Additions	220,228	221,537	28,000	-	469,765
Transfer from advances for fixed assets purchases and construction in progress	1,438,664	386,549	18,667	-	1,843,880
Disposals	(5,652)	(122,278)	(10,895)	(111)	(138,936)
Other movements	-	1,762	-	-	1,762
Closing balance	1,914,588	2,312,650	303,533	1,245	4,532,016
Accumulated depreciation					
Opening balance	34,887	772,922	104,078	995	912,882
Charge for the period	18,340	201,567	22,545	24	242,476
Disposals	(2,798)	(122,251)	(10,704)	(33)	(135,786)
Closing balance	50,429	852,238	115,919	986	1,019,572
Net book value					
Opening balance	226,461	1,052,158	163,683	361	1,442,663
Closing balance	1,864,159	1,460,412	187,614	259	3,512,444

For the period from 01/01/2020 to 12/31/2020 (audited)

<i>VND million</i>	<i>Buildings and building improvements</i>	<i>Machines and equipments</i>	<i>Vehicles</i>	<i>Other fixed assets</i>	<i>Total</i>
Cost					
Opening balance	233,016	1,259,613	210,221	1,672	1,704,522
Additions	1,471	436,005	24,709	-	462,185
Transfer from advances for fixed assets purchases and construction in progress	40,183	361,226	55,772	-	457,181
Disposals	(13,322)	(231,764)	(22,941)	(316)	(268,343)
Closing balance	261,348	1,825,080	267,761	1,356	2,355,545
Accumulated depreciation					
Opening balance	31,598	808,874	102,003	1,279	943,754
Charge for the period	4,814	195,615	23,321	32	223,782
Disposals	(1,525)	(231,567)	(21,246)	(316)	(254,654)
Closing balance	34,887	772,922	104,078	995	912,882
Net book value					
Opening balance	201,418	450,739	108,218	393	760,768
Closing balance	226,461	1,052,158	163,683	361	1,442,663

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For the period from 01 January 2021 to 30 September 2021 (continued)

14. INTAGIBLE FIXED ASSETS

For the period from 01/01/2021 to 09/30/2021

<i>VND million</i>	<i>Software</i>	<i>Land use rights</i>	<i>Others</i>	<i>Total</i>
Cost				
Opening balance	1,238,656	2,622,454	2,196	3,863,306
Additions	178,377	958	-	179,335
Transfer from advances for fixed assets purchases and construction in progress	349,544	-	-	349,544
Disposals	(160)	(885)	-	(1,045)
Other movements	(1,762)	-	-	(1,762)
Closing balance	1,764,655	2,622,527	2,196	4,389,378
Accumulated amortisation				
Opening balance	738,170	476	124	738,770
Charge for the period	103,231	12	45	103,288
Disposals	(160)	(258)	-	(418)
Closing balance	841,241	230	169	841,640
Net book value				
Opening balance	500,486	2,621,978	2,072	3,124,536
Closing balance	923,414	2,622,297	2,027	3,547,738

For the period from 01/01/2020 to 12/31/2020 (audited)

<i>VND million</i>	<i>Software</i>	<i>Land use rights</i>	<i>Others</i>	<i>Total</i>
Cost				
Opening balance	976,294	2,064,499	2,491	3,043,284
Additions	197,875	-	-	197,875
Transfer from advances for fixed assets purchases and construction in progress	75,341	557,955	-	633,296
Disposals	(9,546)	-	(295)	(9,841)
Other movements	(1,308)	-	-	(1,308)
Closing balance	1,238,656	2,622,454	2,196	3,863,306
Accumulated amortisation				
Opening balance	646,255	447	357	647,059
Charge for the period	101,461	29	62	101,552
Disposals	(9,546)	-	(295)	(9,841)
Closing balance	738,170	476	124	738,770
Net book value				
Opening balance	330,039	2,064,052	2,134	2,396,225
Closing balance	500,486	2,621,978	2,072	3,124,536

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For the period from 01 January 2021 to 30 September 2021 (continued)

15. OTHER ASSETS

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
	<u> </u>	<u> </u>
Receivables		
▪ Internal receivables	104,409	56,250
▪ Deposits for office rental	282,344	294,681
▪ Deposits for purchase of office	-	377,397
▪ Receivables relating to Interest Subsidy Program	20,006	20,006
▪ Advances for contracts	404,439	249,047
▪ Deposits for gold, commodity and foreign currencies trading in future markets	50,577	92,078
▪ Advances for fixed assets purchases and construction in progress	1,886,596	2,891,060
▪ Receivable from loans sold contract	449,939	449,939
▪ Receivables from UPAS L/C (Usance Payable At Sight Letter of Credit)	21,582,652	12,061,855
▪ Other external receivables	232,420	235,752
	<u>25,013,382</u>	<u>16,728,065</u>
Accrued interest and fee receivables	5,727,825	5,015,763
Other assets		
▪ Materials	33,488	18,980
▪ Prepayments	1,362,110	1,232,009
▪ Others	2,583	2,531
	<u>1,398,181</u>	<u>1,253,520</u>
Provision for other on-balance sheet assets	<u>(559,310)</u>	<u>(188,723)</u>
	<u><u>31,580,078</u></u>	<u><u>22,808,625</u></u>

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Movements in provision for other assets were as follows:

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million (reviewed)</i>
Opening balance	188,723	227,739
Provision made/(reversed) for receivable from loans sold contract (<i>Note 30</i>)	290,519	(25,427)
Provision made for receivables from UPAS L/C (Usance Payable At Sight Letter of Credit) (<i>Note 30</i>)	65,420	19,842
Provision made for other assets (<i>Note 29</i>)	14,648	9,735
Closing balance	559,310	231,889

16. DEPOSITS AND BORROWINGS FROM OTHER FINANCIAL INSTITUTIONS AND OTHER CREDIT INSTITUTIONS

	<i>09/30/2021 VND million</i>	<i>12/31/2020 VND million (audited)</i>
Demand deposits	375,985	882,329
Demand deposits in VND	359,719	881,447
Demand deposits in foreign currencies	16,266	882
Term deposits	30,702,840	20,349,760
Term deposits in VND	18,549,000	18,111,000
Term deposits in foreign currencies	12,153,840	2,238,760
	31,078,825	21,232,089
Borrowings	52,525,706	25,047,868
Borrowings in VND	3,959,729	1,271,471
Borrowings in foreign currencies	48,565,977	23,776,397
	83,604,531	46,279,957

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For the period from 01 January 2021 to 30 September 2021 (continued)

17. DEPOSITS FROM CUSTOMERS

	<i>09/30/2021</i>	<i>12/31/2020</i>
	<i>VND million</i>	<i>VND million</i>
		<i>(audited)</i>
Demand deposits	121,982,601	124,555,127
Demand deposits in VND	113,405,480	117,696,322
Demand deposits in foreign currencies	8,577,121	6,858,805
Term deposits	161,188,623	149,486,713
Term deposits in VND	156,838,622	144,194,777
Term deposits in foreign currencies	4,350,001	5,291,936
Margin deposits	34,545,193	5,065,938
Margin deposits in VND	34,448,956	4,987,448
Margin deposits in foreign currencies	96,237	78,490
	<u>317,716,417</u>	<u>279,107,778</u>

18. DERIVATIVES AND OTHER FINANCIAL ASSETS/ (LIABILITIES)

	<i>09/30/2021</i>		<i>12/31/2020</i>	
			<i>(audited)</i>	
	<i>Total contract</i>	<i>Total carrying</i>	<i>Total contract</i>	<i>Total carrying</i>
	<i>nominal value (*)</i>	<i>value (**)</i>	<i>nominal value (*)</i>	<i>value (**)</i>
	<i>VND million</i>	<i>VND million</i>	<i>VND million</i>	<i>VND million</i>
Foreign exchange forward contracts	41,091,418	(13,616)	79,566,587	(18,160)
Foreign exchange swap contracts	131,200,189	(254,397)	91,058,259	(344,094)
Interest rate swap contracts	54,096,977	293,215	59,736,465	95,328
	<u>226,388,584</u>	<u>25,202</u>	<u>230,361,311</u>	<u>(266,926)</u>

(*) *at the contractual exchange rates*

(**) *at the foreign exchange rates at the balance sheet date*

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19. VALUABLE PAPERS ISSUED

Valuable papers issued - categorised by terms:

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
From 12 months up to 5 years	29,879,252	26,770,673
More than 5 years	700,000	700,000
	30,579,252	27,470,673

20. OTHER LIABILITIES

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
Accrued interest and fee payables	2,992,436	3,244,836
Other liabilities	8,331,815	7,628,786
▪ Internal payables	20,922	9,322
▪ Payable to employees	1,723,519	1,157,346
▪ Accrued expenses	753,835	1,010,921
▪ Bonus and welfare fund	19,137	9,812
▪ Deferred income	88,950	76,633
▪ Tax payable (<i>Note 36</i>)	2,184,158	1,057,608
▪ Disbursements awaiting for settlement	32,575	8,169
▪ Deposits certificates and funds kept for customers awaiting for settlement	100,268	128,294
▪ Deferred proceeds from sale of collaterals awaiting for resolution	22,791	90,238
▪ Remittance payables	1,739,857	2,872,105
▪ Settlement on behalf of other CIs	1,015,960	700,510
▪ Others awaiting for settlement	390,388	160,689
▪ Other payables	239,455	347,139
	11,324,251	10,873,622

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For the period from 01 January 2021 to 30 September 2021 (continued)

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21. CAPITAL AND RESERVES

Statement of changes in equity

Unit: VND million

	<i>Charter capital</i>	<i>Share premium</i>	<i>Exchange rate revaluation</i>	<i>Reserve to supplement charter capital</i>	<i>Financial reserve</i>	<i>Other reserves</i>	<i>Total reserves</i>	<i>Retained earnings</i>	<i>Total</i>
Balance at 01/01/2020	35,001,400	476,567	-	1,169,264	3,671,936	474	4,841,674	17,634,858	57,954,499
Capital increase	47,662	(60)	-	-	-	-	-	-	47,602
Net profit in the period	-	-	-	-	-	-	-	10,742,980	10,742,980
Appropriations to reserves	-	-	-	537,149	1,074,298	-	1,611,447	(1,611,447)	-
Appropriations to welfare fund	-	-	-	-	-	-	-	(23,000)	(23,000)
Utilisation of reserves	-	-	-	-	(615)	-	(615)	-	(615)
Balance at 12/31/2020 (audited)	35,049,062	476,507	-	1,706,413	4,745,619	474	6,452,506	26,743,391	68,721,466
Capital increase	60,086	(33)	-	-	-	-	-	-	60,053
Net profit in the period	-	-	-	-	-	-	-	11,317,418	11,317,418
Utilisation of reserves	-	-	-	-	(5,342)	-	(5,342)	-	(5,342)
Exchange rate revaluation difference	-	-	15	-	-	-	-	-	15
Balance at 09/30/2021	35,109,148	476,474	15	1,706,413	4,740,277	474	6,447,164	38,060,809	80,093,610

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Charter capital

	<i>09/30/2021</i>	<i>12/31/2020</i>
	<i>Number of shares</i>	<i>Number of shares</i>
		<i>(audited)</i>
	<u> </u>	<u> </u>
Authorised share capital	<u>3,510,914,798</u>	<u>3,504,906,230</u>
Issued share capital		
Ordinary shares	<u>3,510,914,798</u>	<u>3,504,906,230</u>
Shares in circulation		
Ordinary shares	<u>3,510,914,798</u>	<u>3,504,906,230</u>

22. NET INTEREST AND SIMILAR INCOME

	<i>From 01/01/2021</i>	<i>From 01/01/2020</i>
	<i>to 09/30/2021</i>	<i>to 09/30/2020</i>
	<i>VND million</i>	<i>VND million</i>
		<i>(reclassified)</i>
	<u> </u>	<u> </u>
<i>Interest and similar income</i>		
Interest income from deposits	167,649	244,038
Interest income from loans	19,400,033	15,857,590
Interest income from debt securities investments	4,900,496	4,126,207
Income from guarantee services	246,701	216,469
Other income from credit activities	420,098	353,706
	<u>25,134,977</u>	<u>20,798,010</u>
<i>Interest and similar expenses</i>		
Interest expenses for deposits	(4,768,477)	(6,536,742)
Interest expenses for borrowings	(399,039)	(417,209)
Interest expenses for valuable paper issued	(1,081,769)	(991,477)
Other expenses for credit activities	(60,224)	(21,246)
	<u>(6,309,509)</u>	<u>(7,966,674)</u>
	<u>18,825,468</u>	<u>12,831,336</u>

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23. NET FEE AND COMMISSION INCOME

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million (reclassified)</i>
<i>Fee and commission income from</i>		
Settlement and cash services	2,662,568	2,059,307
Cashiering services	2,042	1,837
Bancassurance services	710,979	540,984
Other services	15,251	66,086
	3,390,840	2,668,214
<i>Fee and commission expenses for</i>		
Settlement and cash services	(1,056,667)	(924,013)
Cashiering services	(51,591)	(43,594)
Other services	(45,725)	(42,347)
	(1,153,983)	(1,009,954)
	2,236,857	1,658,260

24. NET GAIN/(LOSS) FROM FOREIGN CURRENCIES TRADING

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million</i>
<i>Gain from foreign currencies trading</i>		
Gain from spot foreign exchange trading	193,521	1,131,123
Gain from currency derivatives	952,492	1,169,142
	1,146,013	2,300,265
<i>Loss from foreign currencies trading</i>		
Loss from spot foreign exchange trading	(197,439)	(981,954)
Loss from currency derivatives	(691,281)	(1,330,977)
	(888,720)	(2,312,931)
	257,293	(12,666)

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25. NET GAIN FROM HELD-FOR-TRADING SECURITIES

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million</i>
Income from trading of held-for-trading securities	440,687	601,663
Expenses for trading of held-for-trading securities	(233,553)	(311,048)
Provision (made)/reversed for credit risk of unlisted securities (<i>Note 7</i>)	(2,330)	6,683
Provision (made) for diminution in the value of listed securities (<i>Note 7</i>)	(23,964)	(3,688)
	180,840	293,610

26. NET GAIN FROM INVESTMENT SECURITIES

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million</i>
Income from trading of investment securities	1,180,511	1,360,885
Expenses for trading of investment securities	(288,888)	(613,202)
Provision (made) for credit risk of unlisted securities (<i>Note 11</i>)	(164,720)	(125,432)
Provision (made) for diminution in the value of listed securities (<i>Note 11</i>)	(37,624)	(46,401)
	689,279	575,850

27. NET GAIN FROM OTHER ACTIVITIES

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million (reclassified)</i>
<i>Other operating income</i>		
Income from other derivatives	2,241,571	3,033,261
Recoveries of loans previously written-off	854,716	835,850
Other income	197,673	232,539
	3,293,960	4,101,650
<i>Other operating expenses</i>		
Expenses for other derivatives	(1,637,439)	(2,273,136)
Other expenses (i)	(443,359)	(252,822)
	(2,080,798)	(2,525,958)
	1,213,162	1,575,692

(i) The bank incurred the expense for Covid-19 support of 348,698 VND million from 01/01/2021 to 09/30/2021

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(j)

28. INCOME FROM INVESTMENTS IN OTHER ENTITIES

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million</i>
Dividends received from subsidiaries	-	300,000
Dividends received from other long-term investments	62	189
	62	300,189

29. OPERATING EXPENSES

	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million (reclassified)</i>
Salaries and related expenses (Note 35)	4,453,347	3,488,561
Publication, marketing and promotion	556,733	510,704
Office and asset rental	504,116	501,227
Depreciation of fixed assets	345,764	211,094
Tax, duties and fees	99,825	90,865
Tools and equipment expenses	78,662	85,615
Telecommunication expenses	59,424	28,076
Expenses for maintenance and repair of assets	202,205	191,851
Utilities expenses	63,773	56,264
Expenditure on payment of insurance premium for customers' deposits	232,891	196,522
Per diem expenses	31,565	34,697
Provision made for long-term investment (Note 12)	489	-
Provision made for other assets (Note 15)	14,648	9,735
Consulting expenses	224,097	358,493
Other operating expenses	475,825	535,443
	7,343,364	6,299,147

30. PROVISION EXPENSES FOR CREDIT LOSSES

	<i>Notes</i>	<i>From 01/01/2021 to 09/30/2021 VND million</i>	<i>From 01/01/2020 to 09/30/2020 VND million</i>
General provision made for loans to customers	9	442,761	32,101
Specific provision made for loans to customers	9	1,174,766	2,213,104
Provision made/(reversed) for receivable from loans sold contract	15	290,519	(25,427)
Provision made for debt purchased	10	1,087	-
Provision made for receivables from UPAS L/C (Usance Payable At Sight Letter of Credit)	15	65,420	19,842
		1,974,553	2,239,620

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31. CORPORATE INCOME TAX EXPENSES

The Bank has an obligation to pay the government corporate income tax (“CIT”) at the rate of 20% of taxable profit (2020: 20%). The CIT computation is subject to the review and approval by local tax authority. The CIT computation is calculated as follows:

	<i>From 01/01/2021 to 09/30/2021</i>	<i>From 01/01/2020 to 09/30/2020</i>
	<i>VND million</i>	<i>VND million</i>
Profit before tax	14,085,044	8,683,504
<i>Adjustments for:</i>		
- Income of dividends exempt from CIT	(62)	(300,189)
Taxable corporate income	14,084,982	8,383,315
Current CIT expenses		
- CIT expenses calculated on taxable income	2,816,996	1,676,663
- Adjustment over provision of CIT expenses in prior year	(49,370)	(7,048)
Current CIT expenses for the period	2,767,626	1,669,615
CIT payable at the beginning of the period	992,555	670,289
- CIT paid in the period	(1,715,741)	(1,075,474)
CIT payable at the end of the period	2,044,440	1,264,430

32. CASH AND CASH EQUIVALENTS

	<i>09/30/2021</i>	<i>12/31/2020</i>
	<i>VND million</i>	<i>VND million</i>
		<i>(audited)</i>
Cash and gold on hand	3,303,309	3,663,615
Balances with the SBV	3,395,192	10,253,324
Investment securities with maturity period not exceeding 3 months from the acquisition date	-	750,000
Balances with and credit granting to other FIs and CIs with original terms not exceeding 3 months	50,557,167	20,865,979
	57,255,668	35,532,918

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33. SIGNIFICANT TRANSACTIONS WITH RELATED PARTIES

Related party transactions are transactions undertaken with other entities to which the Bank is related. A party is considered to be related to the Bank if:

- (a) Enterprises that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with the reporting Bank. (This includes holding companies, subsidiaries and fellow subsidiaries);
- (b) Associates (see VAS No. 07 “Accounting for Investments in Associates”);
- (c) Individuals owning, directly or indirectly, an interest in the voting power of the reporting Bank that gives them significant influence over the Bank, and close members of the family of any such individual. Close members of the family of an individual are those that may be expected to influence, or be influenced by, that person in their dealings with the Bank, for examples: parent, spouse, progeny, siblings;
- (d) Key management personnel, that is, those persons having authority and responsibility for planning, directing and controlling the activities of the reporting Bank, including directors and officers of the Bank and close members of the families of such individuals;
- (e) Enterprises in which a substantial interest in the voting power is owned, directly or indirectly, by any person described in (c) or (d) or over which such a person is able to exercise significant influence. This includes enterprises owned by directors or major shareholders of the reporting Bank and enterprises that have a member of key management in common with the reporting Bank.

As at and for the period ended 30 September 2021, there were the following significant balances and transactions with related parties:

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Loans to customers

Unit: VND million

<i>Related party</i>	<i>Relation-ship</i>	<i>From 01/01/2021 to 09/30/2021</i>				<i>From 01/01/2020 to 12/31/2020 (audited)</i>			
		<i>Opening balance</i>	<i>Increase</i>	<i>(Decrease)</i>	<i>Closing balance</i>	<i>Opening balance</i>	<i>Increase</i>	<i>(Decrease)</i>	<i>Closing balance</i>
<i>European Plastic Window Joint Stock Company</i>									
	(ii),(iii)								
Loans to customers		522,087	490,483	(499,945)	512,625	509,927	416,815	(404,655)	522,087
Interest receivable		1,938	34,742	(35,002)	1,678	2,228	44,313	(44,603)	1,938
<i>Nui Phao Mining Company Limited</i>									
	(iii)								
Loans to customers		1,130,011	1,143,969	(1,165,175)	1,108,805	1,012,502	2,078,291	(1,960,782)	1,130,011
Interest receivables		675	32,655	(32,805)	525	858	59,714	(59,897)	675
<i>Vietnam Technological and Commercial Joint Stock Bank - Asset Management Company Limited</i>									
	(iv)								
Loans to customers		250,000	-	(50,000)	200,000	350,000	-	(100,000)	250,000
Interest receivables		70	16,909	(16,921)	58	103	31,464	(31,497)	70

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Term deposits from customers

Unit: VND million

Related party	Relation-ship	From 01/01/2021 to 09/30/2021				From 01/01/2020 to 12/31/2020 (audited)			
		Opening balance	Increase	(Decrease)	Closing balance	Opening balance	Increase	(Decrease)	Closing balance
One Mount Group Joint Stock Company									
	(ii)								
Term deposits from customers		2,500	125,000	(52,500)	75,000	-	77,500	(75,000)	2,500
Interest payables		4	766	(658)	112	-	568	(564)	4
One Mount Distribution Joint Stock Company									
	(ii)								
Term deposits from customers		1,000	-	(1,000)	-	-	206,000	(205,000)	1,000
Interest payables		2	114	(116)	-	-	1,067	(1,065)	2
One Mount Real Estate Joint Stock Company									
	(ii)								
Term deposits from customers		-	75,000	(45,000)	30,000	-	-	-	-
Interest payables		-	337	(294)	43	-	-	-	-
Online Mobile Services Joint Stock Company									
	(ii)								
Term deposits from customers		-	150,000	(100,000)	50,000	-	-	-	-
Interest payables		-	1,012	(935)	77	-	-	-	-
Mobicast Joint Stock Company									
	(ii)								
Term deposits from customers		-	25,000	-	25,000	-	-	-	-
Interest payables		-	23	(6)	17	-	-	-	-
TC Advisors Corporation									
	(iii)								
Term deposits from customers		-	58,328	(20,120)	38,208	-	-	-	-
Interest payables		-	1,011	(111)	900	-	-	-	-
Isado Business Cooperation and Development Company Limited									
	(iii)								
Term deposits from customers		-	2,000	-	2,000	-	-	-	-
Interest payables		-	36	(33)	3	-	-	-	-
Vietnam Technological and Commercial Joint Stock Bank –Asset Management Company Limited									
	(iv)								
Term deposits from customers		66,489	72,642	(43,273)	95,858	92,630	66,489	(92,630)	66,489
Interest payables		1,526	1,927	(2,772)	681	2,227	3,424	(4,125)	1,526

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<u>Related party</u>	<i>Relation-ship</i>	<i>From 01/01/2021 to 09/30/2021</i>				<i>From 01/01/2020 to 12/31/2020 (audited)</i>			
		<i>Opening balance</i>	<i>Increase</i>	<i>(Decrease)</i>	<i>Closing balance</i>	<i>Opening balance</i>	<i>Increase</i>	<i>(Decrease)</i>	<i>Closing balance</i>
<i>Masan Group Corporation Joint Stock Company and a group of related companies</i>	(v)								
Term deposits from customers		1,351,225	15,355,451	(14,072,176)	2,634,500	1,410,303	8,351,827	(8,410,905)	1,351,225
Interest payables		1,921	49,681	(44,881)	6,721	1,693	20,522	(20,294)	1,921
<i>Members of the Board of Directors, Supervision, Management and other related individuals</i>									
Term deposits from customers		671,842	1,330,443	(1,206,108)	796,177	550,359	5,072,588	(4,951,105)	671,842
Interest payables		17,147	22,816	(33,228)	6,735	11,916	46,433	(41,202)	17,147

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Derivatives, foreign currency contracts

<i>Related party</i> <i>Unit: VND million</i>	<i>Relationship</i>	<i>09/30/2021</i>	<i>12/31/2020</i> <i>(audited)</i>
Techcom Securities Joint Stock Company	(iv)	1,267,000	693,850

Guarantee, letter of credit contracts

<i>Related party</i> <i>Unit: VND million</i>	<i>Relationship</i>	<i>09/30/2021</i>	<i>12/31/2020</i> <i>(audited)</i>
European Plastic Window Joint Stock Company	(ii), (iii)	80,308	26,725
Mobicast Joint Stock Company	(ii)	450,175	-
Masan Group Corporation Joint Stock Company and a group of related companies	(v)	133,101	73,657

Demand deposits from customers

<i>Related party</i> <i>Unit: VND million</i>	<i>Relationship</i>	<i>09/30/2021</i>	<i>12/31/2020</i> <i>(audited)</i>
European Plastic Window Joint Stock Company	(ii), (iii)	8,247	6,938
One Mount Group Joint Stock Company	(ii)	23,950	5,465
One Mount Real Estate Joint Stock Company	(ii)	7,054	1,807
One Mount Distribution Joint Stock Company	(ii)	16,623	41,679
One Mount Consumer Joint Stock Company	(ii)	61,776	-
Vega City Joint Stock Company	(ii)	584	-
FCE VietNam Joint Stock Company	(iii)	576	1,651
TC Advisors Corporation	(iii)	6,384	-
Isado Business Cooperation and Development Company Limited	(iii)	2,914	-
Mobicast Joint Stock Company	(ii)	17,381	-
Vietnam Technological and Commercial Joint Stock Bank - Asset Management Company Limited	(iv)	37,953	10,138
Techcom Securities Joint Stock Company	(iv)	1,479,803	1,569,402
Techcom Capital Management Joint Stock Company	(iv)	724	3,098
Masan Group Corporation Joint Stock Company and a group of related companies	(v)	82,431	484,539
Members of the Board of Directors, Supervision, Management and other related individuals		184,202	146,726

- (i) *Shareholder has its representatives in the Board of Directors or Management or Board of Supervision of the Bank*
- (ii) *Related party has its representatives in the Board of Directors or Management or Board of Supervision of the Bank*
- (iii) *Related party has its representatives related to members of the Board of Directors or Management or Board of Supervision of the Bank*
- (iv) *Subsidiary*
- (v) *Masan Group Corporation Joint Stock Company and a group of related companies of Masan Group Corporation Joint Stock Company have their representatives in the Board of Directors of the Bank or their Board of Directors' members are related parties of members of the Board of Directors or Management or Supervisory Board of the Bank*

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34. GEOGRAPHICAL DISPERSION OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

As at 30 September 2021

	<i>Total loans</i> <i>VND million</i>	<i>Total deposits</i> <i>VND million</i>	<i>Total other</i> <i>commitments</i> <i>VND million</i>	<i>Derivatives</i> <i>(*)</i> <i>VND million</i>	<i>Trading and</i> <i>investment</i> <i>securities</i> <i>VND million</i>
Domestic	335,879,372	346,558,359	304,566,077	225,756,141	93,819,308
Overseas	-	2,236,883	56,847	632,443	-
	335,879,372	348,795,242	304,622,924	226,388,584	93,819,308

(*) *Total contract value*

35. EMPLOYEE BENEFITS

	<i>From 01/01/2021</i> <i>to 09/30/2021</i>	<i>From 01/01/2020</i> <i>to 09/30/2020</i> <i>(reclassified)</i>
Total employees as at 30 September (person)	11,625	10,796
Average number of employees in the period (person)	11,387	10,668
Employees' remuneration		
1. Basic salaries (VND million)	3,712,016	2,878,974
2. Allowances and other income (VND million)	741,331	609,587
	4,453,347	3,488,561
Average monthly salary (VND million/person)	36	30
Average monthly remuneration (VND million/person)	43	36

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36. OBLIGATIONS TO THE STATE BUDGET

As at 30 September 2021

	<i>01/01/2021</i> <i>VND million</i>	<i>Incurred</i> <i>VND million</i>	<i>Paid</i> <i>VND million</i>	<i>09/30/2021</i> <i>VND million</i>
Value added tax	19,592	158,684	(94,624)	83,652
Corporate income tax	992,555	2,767,626	(1,715,741)	2,044,440
Other taxes	45,461	613,458	(602,853)	56,066
	1,057,608	3,539,768	(2,413,218)	2,184,158

As at 31 December 2020 (audited)

	<i>01/01/2020</i> <i>VND million</i>	<i>Incurred</i> <i>VND million</i>	<i>Paid</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i>
Value added tax	21,086	159,180	(160,674)	19,592
Corporate income tax	670,289	2,622,742	(2,300,476)	992,555
Other taxes	37,970	652,998	(645,507)	45,461
	729,345	3,434,920	(3,106,657)	1,057,608

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37. RISK MANAGEMENT DISCLOSURE

This section provides details of the Bank's exposure to risk and describes the policies, the methods used by the Bank's Executive Team to control risk. The most important types of financial risk to which the Bank is exposed are credit risk, liquidity risk and market risk.

(i) Risk management policy

The Bank's business goal is to be a multi-purpose financial group. Accordingly, the utilisation of financial instruments including customers' deposits (customers' deposits and valuable papers issued) and investments in highly profitable financial assets is the key to achieve the premium interest difference for the Bank. In terms of risk management, the Bank is required to maintain a healthy structure for its assets, liabilities and equity (including both separate balance sheet and off-balance sheets items) for safety and risk minimisation purpose in the Bank's operations. In addition, the Bank has used some of its working capital to invest in securities or credit granting to other banks. Foreign currency risk and interest rate risk are controlled by limits to avoid over-concentration and the Bank also involves in diversifying activities with risk balancing effect in order to minimize the risks. The ownership of highly profitable financial instruments helps smoothing the structure of the separate balance sheet and reducing liquidity risk. Moreover, the Bank engages in hedging activities like currency swaps for interest rate risk management.

While managing credit risk, the Bank has made good use of the credit manuals which entail the policies, procedures and guidance to standardize the credit activities of the Bank. Liquidity risk is reduced thanks to cash and cash equivalents on hand in forms of Nostro accounts, term-deposits at the SBV and other CIs and valuable papers. Ratios which take risk into account are also used to keep control of liquidity risks. The Bank evaluates interest rates on a regular basis, compares local interest rates with international ones for timing adjustments. In addition, internal audit has become more efficient because of the Centralized Capital Management System and Centralized Payment System which enables all treasury activities and payments to be conducted by the Head Office. This gives the Bank closer supervision on the changes in capital to reduce errors and unnecessary procedures.

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(ii) Credit risk

Credit risk is the inherent risk incurred in banking activities that the Bank may face when clients do not or cannot fulfill its obligations as committed.

The Bank has maintained a policy of credit risk management to ensure the following basic principles:

- ▶ Set up an appropriate credit risk management environment;
- ▶ Operate in a healthy process for granting credit facilities;
- ▶ Maintain an appropriate management, measurement and credit monitoring process; and
- ▶ Ensure adequate controls for credit risk.

The approval process for granting credit must go through several management levels to ensure a credit facility to be reviewed independently together with the credit limit applied to each competent level. In addition, the participation of Credit Council in the credit approval model also helps to ensure a highest quality and concentrated approval process.

Details of collaterals held by the Bank at the end of the period were as follows:

	<i>09/30/2021</i> <i>VND million</i>	<i>12/31/2020</i> <i>VND million</i> <i>(audited)</i>
Real estates	460,037,856	385,221,459
Machines and equipments	20,909,358	20,685,030
Valuable papers issued	95,826,447	117,945,367
Others	151,070,323	110,671,423
	<u>727,843,984</u>	<u>634,523,279</u>

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(iii) Liquidity risk

Liquidity risk arises in the general funding of the Bank's activities and in the management of positions. It includes both the risk of being unable to fund assets at appropriate maturities and rates and the risk of being unable to liquidate an asset at a reasonable price and in an appropriate time frame.

The maturity term of assets and liabilities represents the remaining period from the separate balance sheet date to the contractual maturity date of assets and liabilities.

The following assumptions and conditions are applied in the analysis of overdue status of the Bank's assets and liabilities:

- ▶ Balances with the SBV are classified as demand deposits which include compulsory deposits. The balance of compulsory deposits depends on the proportion and terms of the Bank's customer deposits;
- ▶ The maturity term of held-for-trading securities and investment securities is calculated based on the maturity date of each category of securities; in which, securities issued by the Government or guaranteed by the Government, although classified based on residual maturity, but considered as liquid assets in the market that are readily convertible to known amounts of cash and subject to an insignificant risk of change in value;
- ▶ The maturity term of balances with and credit granting to other FIs and CIs; and loans to customers is determined on the maturity date as stipulated in contracts. The actual maturity term may be altered because loan contracts may be extended/prepaid;
- ▶ The maturity term of equity investments is considered as more than 05 years because these investments do not have definite maturity date;
- ▶ The maturity term of deposits and borrowings from other FIs and CIs and customers' deposits is determined based on features of these items or the maturity date as stipulated in contracts. Demand deposits are transacted as required by customers and therefore being classified as current accounts. Then, the maturity term of current account is classified as "up to 1 month". The maturity term of borrowings and term deposits is determined based on the maturity date in contracts. In fact, these amounts may be rotated and therefore they last beyond the original maturity date;
- ▶ The maturity term of fixed assets is determined on the remaining useful life of assets;
- ▶ The maturity term of valuable papers issued is determined based on maturity term of each type of valuable paper;
- ▶ The maturity term of other liabilities is determined based on the actual maturity date of each item.

The following table shows the analysis of financial assets and liabilities of the Bank by maturity groups as follows:

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<i>As at 30 September 2021</i> <i>VND million</i>	<i>Overdue less than 3 months</i>	<i>Overdue more than 3 months</i>	<i>Up to 1 month</i>	<i>From 1 to 3 months</i>	<i>From 3 to 12 months</i>	<i>From 1 to 5 years</i>	<i>Over 5 years</i>	<i>Total</i>
Assets								
Cash and gold on hand	-	-	3,303,309	-	-	-	-	3,303,309
Balances with the SBV	-	-	3,395,192	-	-	-	-	3,395,192
Balances with and credit granting to other FIs and CIs - gross	-	-	58,117,977	17,589,591	1,416,270	3,000	-	77,126,838
Held-for-trading securities - gross	-	-	311,528	-	1,549,528	1,926,115	2,329,677	6,116,848
<i>In which: Government bonds</i>	-	-	-	-	52,012	817,424	2,329,677	3,199,113
Derivatives and other financial assets	-	-	(14,449)	(49,928)	(11,985)	101,564	-	25,202
Loans to customers - gross	2,998,580	1,828,756	14,399,690	30,160,002	66,888,539	77,987,922	115,046,212	309,309,701
Debt purchased – gross	-	-	-	10,447	15,439	118,988	-	144,874
Investment securities - gross	-	-	230,291	6,781,372	20,301,498	47,482,478	12,906,821	87,702,460
<i>In which: Government bonds and bonds guaranteed by the Government for settlement</i>	-	-	60,075	1,819,178	758,829	5,633,079	12,235,843	20,507,004
Long term investments - gross	-	-	-	-	-	-	1,463,302	1,463,302
Fixed assets	-	-	119,139	9,888	19,732	588,363	6,323,060	7,060,182
Other assets - gross	-	89,707	9,113,820	11,074,714	9,995,051	1,587,730	278,366	32,139,388
	2,998,580	1,918,463	88,976,497	65,576,086	100,174,072	129,796,160	138,347,438	527,787,296
Liabilities								
Deposits from the State Treasury	-	-	15,482	-	-	-	-	15,482
Deposits and borrowings from other FIs and CIs	-	-	36,655,600	12,124,931	11,875,193	22,946,660	2,147	83,604,531
Deposits from customers	-	-	225,472,510	33,987,752	53,944,154	4,252,727	59,274	317,716,417
Valuable papers issued	-	-	-	-	5,947,000	24,632,252	-	30,579,252
Other liabilities	-	-	8,757,926	921,018	1,158,249	484,298	2,760	11,324,251
	-	-	270,901,518	47,033,701	72,924,596	52,315,937	64,181	443,239,933
Net liquidity gap	2,998,580	1,918,463	(181,925,021)	18,542,385	27,249,476	77,480,223	138,283,257	84,547,363

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For the period from 01 January 2021 to 30 September 2021 (continued)

(iv) **Market risk**

Interest rate risk

Interest rate risk arises when there is a difference of term in valuation of interest rate between assets and liabilities. All loans activities, mobilization activities, investment activities of the Bank create the interest rate risk.

Based on the "interest rate sensitivity" status of each interest rate risk changing period, assets, liabilities and off-balance sheet items are classified into the appropriate terms of the "interest rate gap" model.

Interest rate re-pricing terms for items with fixed interest rate for remaining period until maturity date of assets, as for floating interest rate which is remaining period until changes in interest rate.

The following assumptions and conditions are applied in building "Interest rate gap" table:

- ▶ Cash and gold, capital contribution, long-term investments, fixed assets, other receivables and other liabilities are classified as "non-sensitive to interest rate" items;
- ▶ Balance with the SBV, demand balances with and credit granting to other FIs and CIs are classified as "non-sensitive to interest rate" items;
- ▶ Interest rate re-pricing duration of held-for-trading securities and investment securities is determined based on the actual maturity date as at balance sheet date for those securities with fixed interest rate, or based on the interest rate re-pricing duration for those securities with float interest rate;
- ▶ Interest rate re-pricing duration of balances with and credit granting to other FIs and CIs, loans to customers, other assets; deposits and borrowings from Government and the SBV, deposits and borrowings from other FIs and CIs and customer deposits are identified as follows:
 - For items with fixed interest rate during the contract: re-pricing duration is calculated according to separate balance sheet date to the maturity date;
 - For items with float interest rate during the contract: re-pricing duration is calculated from the separate balance sheet date to the next interest rate re-pricing date.
- ▶ The interest rate re-pricing terms of valuable papers issued based on the actual maturity date of each type of valuable papers if there is a fixed interest rate or the nearest re-pricing date if there is a floating interest rate.

The following table shows the classification of the Bank's assets and liabilities according to "Interest rate gap" model as at reporting date:

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<i>As at 30 September 2021</i> <i>VND million</i>	<i>Overdue</i>	<i>Non-sensitive to interest rate</i>	<i>Up to 1 month</i>	<i>From 1 to 3 months</i>	<i>From 3 to 6 months</i>	<i>From 6 to 12 months</i>	<i>Over 1 to 5 years</i>	<i>Over 5 years</i>	<i>Total</i>
Assets									
Cash and gold on hand	-	3,303,309	-	-	-	-	-	-	3,303,309
Balances with the SBV	-	3,395,192	-	-	-	-	-	-	3,395,192
Balances with and credit granting to other FIs and CIs - gross	-	9,362,327	41,729,597	19,998,644	6,036,270	-	-	-	77,126,838
Held-for-trading securities - gross	-	-	311,528	-	574,475	975,053	1,926,114	2,329,678	6,116,848
<i>In which: Government bonds</i>	-	-	-	-	-	52,011	817,424	2,329,678	3,199,113
Derivatives and other financial assets	-	126	(9,051,193)	(5,389,804)	5,455,923	1,503,794	7,506,356	-	25,202
Loans to customers - gross	4,827,336	-	120,662,504	63,450,722	28,586,373	45,536,626	44,850,081	1,396,059	309,309,701
Debt purchased - gross	-	-	-	144,874	-	-	-	-	144,874
Investment securities - gross	-	1,102,705	6,846,690	29,739,697	4,547,442	24,295,560	9,816,666	11,353,700	87,702,460
<i>In which: Government bonds and bonds guaranteed by the Government for settlement</i>	-	1,073,929	60,000	1,752,709	550,000	200,000	5,516,666	11,353,700	20,507,004
Long term investments - gross	-	1,463,302	-	-	-	-	-	-	1,463,302
Fixed assets	-	7,060,182	-	-	-	-	-	-	7,060,182
Other assets - gross	89,707	32,049,681	-	-	-	-	-	-	32,139,388
	4,917,043	57,736,824	160,499,126	107,944,133	45,200,483	72,311,033	64,099,217	15,079,437	527,787,296
Liabilities									
Deposits from the State Treasury	-	15,482	-	-	-	-	-	-	15,482
Deposits and borrowings from other FIs and CIs	-	375,985	47,659,616	23,504,931	11,056,765	818,428	186,659	2,147	83,604,531
Deposits from customers	-	461	227,013,886	31,967,994	39,036,954	15,600,541	4,037,783	58,798	317,716,417
Valuable papers issued	-	-	4,475,706	7,697,000	3,964,000	5,946,515	8,496,031	-	30,579,252
Other liabilities	-	11,324,251	-	-	-	-	-	-	11,324,251
	-	11,716,179	279,149,208	63,169,925	54,057,719	22,365,484	12,720,473	60,945	443,239,933
Total interest sensitivity gap	4,917,043	46,020,645	(118,650,082)	44,774,208	(8,857,236)	49,945,549	51,378,744	15,018,492	84,547,363

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Currency risk

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

The Bank was incorporated and operates in Vietnam, with VND as its reporting currency. The major currency in which the Bank transactions is VND. The Bank's loans to customers were mainly denominated in VND and USD. However, some of the Bank's other assets are in currencies other than VND and USD.

The Bank's management has set limits on position by currency. Positions are monitored on daily basis and hedging strategies used to ensure positions are maintained within established limits.

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<i>As at 30 September 2021</i> <i>VND million</i>	<i>USD</i> <i>equivalent</i>	<i>EUR</i> <i>equivalent</i>	<i>Gold</i> <i>equivalent</i>	<i>Other currencies</i> <i>equivalent</i>	<i>Total</i>
Assets					
Cash and gold on hand	238,139	53,042	4,447	49,580	345,208
Balances with the SBV	1,172	-	-	-	1,172
Balances with and credit granting to other FIs and CIs - gross	15,677,788	466,511	-	606,023	16,750,322
Derivatives and other financial assets	17,840,916	(10,566)	-	(4,637)	17,825,713
Loans to customers - gross	16,195,734	-	-	-	16,195,734
Other assets - gross	18,076,999	367,435	-	1,188,055	19,632,489
	68,030,748	876,422	4,447	1,839,021	70,750,638
Liabilities					
Deposits and borrowings from other FIs and CIs	59,181,099	367,443	-	1,187,541	60,736,083
Deposits from customers	11,937,807	463,712	-	621,840	13,023,359
Other liabilities	776,389	37,708	-	15,328	829,425
	71,895,295	868,863	-	1,824,709	74,588,867
FX position on-balance sheet	(3,864,547)	7,559	4,447	14,312	(3,838,229)
FX position off-balance sheet	(1,351,985)	2,975	-	(99)	(1,349,109)
Total FX position on and off-balance sheet	(5,216,532)	10,534	4,447	14,213	(5,187,338)

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38. PROFIT MOVEMENTS

Profit after tax (PAT) up to 30 September 2021 increased by VND4,303,529 million, which was equivalent to 61.36% compared to 30 September 2020, as a result of the following factors:

	<i>Increase/(Decrease) in PAT VND million</i>
	<hr/>
Increase in net interest income	5,994,132
Increase in net fee and commission income	578,597
Increase in net gain from trading of foreign currencies	269,959
Decrease in net gain from trading of held-for-trading securities	(112,770)
Increase in net gain from investment securities	113,429
Decrease in net gain from other activities	(362,530)
Decrease in income from investments in other entities	(300,127)
Increase in operating expenses	(1,044,217)
Decrease in provision expenses for credit losses	265,067
Increase in CIT expenses	(1,098,011)
	<hr/>
Total increase in PAT	<u><u>4,303,529</u></u>

39. CORRESPONDING FIGURES

Certain corresponding figures stated in the prior year were reclassified to conform to the current year's presentation:

<i>VND million</i>	<i>From 01/01/2020 to 09/30/2020 (as previously reported)</i>	<i>Reclassify</i>	<i>From 01/01/2020 to 09/30/2020 (reclassified)</i>
	<hr/>	<hr/>	<hr/>
SEPARATE INCOME STATEMENT			
Interest and similar income	20,811,010	(13,000)	20,798,010
Other income	4,088,650	13,000	4,101,650
Fee and commission expenses	(1,241,931)	231,977	(1,009,954)
Operating expenses	(6,067,170)	(231,977)	(6,299,147)
SEPARATE CASHFLOWS			
Interest and similar income received	20,077,154	(13,000)	20,064,154
Other income received	778,025	13,000	791,025
Fee and commission income received	1,508,552	231,977	1,740,529
Operating and salary expenses paid	(4,912,523)	(231,977)	(5,144,500)

Vietnam Technological and Commercial Joint Stock Bank

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

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For the period from 01 January 2021 to 30 September 2021 (continued)

40. FOREIGN CURRENCY EXCHANGE AT THE END OF PERIOD

	<i>09/30/2021</i>	<i>12/31/2020</i>
	<i>VND</i>	<i>VND</i>
AUD	16,386	17,797
CAD	17,881	17,861
CHF	24,320	26,192
CNY	3,522	3,528
DKK	3,547	3,811
EUR	26,374	28,356
GBP	31,175	31,546
HKD	2,923	2,977
JPY	203	224
NOK	2,584	2,708
SEK	2,589	2,828
SGD	16,726	17,458
THB	695	769
USD	22,760	23,080
XAU	5,665,000	5,567,500

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