

**Joint Stock Commercial Bank for Investment and
Development of Vietnam**

INTERIM CONSOLIDATED FINANCIAL STATEMENTS
For the quarter III/2022

In accordance with Vietnamese Accounting Standards,
accounting regime applicable to credit institutions in Vietnam



INTERIM CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Quarter III/2022

as at 30 September 2022

Unit: Million VND

No.	Items	Notes	30/09/2022	31/12/2021 (*)
A	Assets			
I	Cash, gold and gemstones		12,176,802	12,660,583
II	Balances with central banks		45,003,431	68,851,444
III	Placements with and loans to other credit institutions		259,681,711	135,940,229
1	Placements with other credit institutions		233,692,368	112,042,988
2	Loans to other credit institutions		26,111,007	24,026,575
3	Provision for credit losses on loans to other credit institutions		(121,664)	(129,334)
IV	Trading securities	01	1,110,756	6,068,913
1	Trading securities		1,164,743	6,083,165
2	Provision for impairment of trading securities		(53,987)	(14,252)
V	Derivatives and other financial assets	02	231,930	192,282
VI	Loans to customers		1,451,882,428	1,325,528,925
1	Loans to customers	03	1,494,903,866	1,354,632,643
2	Provision for credit losses on loans to customers	04	(43,021,438)	(29,103,718)
VII	Investment securities	05	231,923,491	177,088,795
1	Available-for-sale investment securities		158,009,095	111,675,314
2	Held-to-maturity investment securities		74,133,661	65,711,393
3	Provision for investment securities		(219,265)	(297,912)
VIII	Long-term investments	06	3,090,065	2,847,647
1	Investment in joint-ventures		2,310,463	2,134,086
2	Investment in associates		674,504	595,596
3	Other long-term investments		215,211	215,617
4	Provision for impairment of long-term		(110,113)	(97,652)
IX	Fixed assets		10,131,837	10,741,232
1	Tangible fixed assets		5,800,792	6,338,050
a	Cost		14,214,547	14,264,308
b	Accumulated depreciation		(8,413,755)	(7,926,258)
2	Intangible fixed assets		4,331,045	4,403,182
a	Cost		6,478,593	6,407,788
b	Accumulated depreciation		(2,147,548)	(2,004,606)
XI	Other assets		33,720,267	21,775,742
1	Receivables		16,536,381	7,838,680
2	Interest and fee receivables		12,771,115	10,901,959
3	Deferred corporate income tax assets		37,751	36,588
4	Other assets		4,929,360	3,567,089
5	Provision for impairment of other assets		(554,340)	(568,574)
	TOTAL ASSETS		2,048,952,718	1,761,695,792

JOINT STOCK COMMERCIAL BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM

BIDV Tower, 194 Tran Quan Khai Road, Hoan Kiem,
Hanoi, Socialist Republic of Viet Nam

Interim Consolidated Financial Statements
Quarter III/2022

No.	Items	Notes	30/09/2022	31/12/2021 (*)
B	LIABILITIES AND OWNERS' EQUITY			
I	Borrowings from the Government and central banks	07	134,768,423	25,340,018
II	Deposits and borrowings from other credit institutions	08	199,716,316	98,007,392
1	Deposits from other credit institutions		157,871,098	58,953,639
2	Borrowings from other credit institutions		41,845,218	39,053,753
III	Deposits from customers	09	1,414,224,009	1,380,397,799
IV	Grants, trusted funds and borrowings the Bank bears risk		14,422,278	14,349,996
V	Valuable papers issued	10	144,209,004	123,681,757
VI	Other liabilities	11	40,687,628	33,589,804
1	Interest and fee payables		23,868,430	21,527,269
2	Deferred corporate income tax payables		103,429	114,444
3	Other payables and liabilities		16,715,769	11,948,091
VII	Capital and reserves	13	100,925,060	86,329,026
1	The Bank's capital		66,204,497	65,145,472
a	Charter capital		50,585,239	50,585,239
b	Share premium		15,351,407	14,292,382
c	Other capital		267,851	267,851
2	The Bank's reserves		9,725,622	9,684,951
3	Foreign exchange differences		(265,954)	(367,882)
4	Retained earnings/Accumulated losses		20,593,079	8,672,557
5	Non-controlling interests		4,667,816	3,193,928
	TOTAL LIABILITIES AND OWNERS' EQUITY		2,048,952,718	1,761,695,792

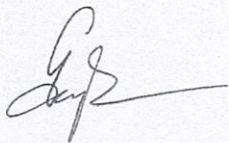
OFF-BALANCE SHEET ITEMS

as at 30 September 2022

No.	Items	Notes	30/09/2022	31/12/2021 (*)
1	Credit guarantees		8,830,911	8,458,181
2	Foreign exchange commitments		2,662,911	3,972,645
a	Foreign currency purchase commitments		1,709,134	2,816,946
b	Foreign currency sale commitments		953,777	1,155,699
3	Letter of credit commitments		127,609,935	121,248,044
4	Other guarantees		170,552,038	167,338,469
5	Other commitments		16,736,545	8,355,060
6	Uncollected interest from loans and fee receivables		14,492,169	14,505,648
7	Doubtful debt written-off		181,024,403	171,287,820
a	Principal of bad debts written off		91,309,002	89,383,390
b	Interest of bad debts written off		89,715,401	81,904,430
8	Other assets and documents		72,952,644	105,018,427

(*) The brought forward figures are carried down from the audited consolidated FS for the financial year ended 31 Dec 2021

Prepared by



Nguyen Thi Huong Giang

Chief Accountant



Ta Thi Hanh

Senior Executive Vice President



Nguyen Thien Hoang

INTERIM CONSOLIDATED INCOME STATEMENT

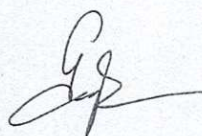
Quarter III/2022

Unit: Million VND

No	Items	Note	Quarter III		Cumulative Year to Date	
			From 01/07/2022 to 30/09/2022	From 01/07/2021 to 30/09/2021	From 01/01/2022 to 30/09/2022	From 01/01/2021 to 30/09/2021
1	Interest and similar income	14	30,624,151	25,989,671	87,007,491	76,218,978
2	Interest and similar expenses	15	(16,525,726)	(13,785,010)	(45,475,994)	(40,254,787)
I	Net interest income		14,098,425	12,204,661	41,531,497	35,964,191
3	Income from services		2,571,483	2,446,148	7,456,322	7,366,349
4	Expenses on services		(1,130,268)	(851,927)	(3,238,274)	(2,596,147)
II	Net gain from services		1,441,215	1,594,221	4,218,048	4,770,202
III	Net gain/loss from trading foreign currencies		801,464	456,922	2,011,035	1,241,500
IV	Net gain/loss from trading securities	16	5,751	(2,421)	(62,093)	569,988
V	Net gain/loss from investment securities	17	51,446	151,461	117,165	(341,698)
5	Other operating income		1,526,207	1,202,802	4,888,613	5,735,186
6	Other operating expenses		(469,647)	(408,752)	(1,038,215)	(948,960)
VI	Net gain/loss from other activities		1,056,560	794,050	3,850,398	4,786,226
VII	Income from capital contribution, equity investments	18	99,667	47,882	246,720	153,075
VIII	Total operating expenses	19	(5,452,199)	(5,070,807)	(14,969,815)	(13,215,564)
IX	Net profit from operating activities before provision for credit losses		12,102,329	10,175,969	36,942,955	33,927,920
X	Provision expenses for credit losses		(5,428,946)	(7,502,132)	(19,266,217)	(23,194,533)
XI	Profit before tax		6,673,383	2,673,837	17,676,738	10,733,387
7	Current corporate income tax		(1,319,050)	(546,819)	(3,486,081)	(2,150,453)
8	Deferred corporate income tax expense		(101)	(4,702)	875	96
XII	Corporate income tax expense		(1,319,151)	(551,521)	(3,485,206)	(2,150,357)
XIII	Profit after tax		5,354,232	2,122,316	14,191,532	8,583,030
XIV	Non-controlling interests		(76,276)	(74,300)	(184,557)	(228,165)
XV	Owners' net profit		5,277,956	2,048,016	14,006,975	8,354,865

Profit after tax in Quarter 3 and first 9 months of 2022 increased compared to the same period mainly due to the increase in interest income and income from foreign exchange activities. In addition, credit quality was well controlled, therefore provision for credit loss decreased compared to the same period last year.

Prepared by



Nguyen Thi Huong Giang

Chief Accountant



Ta Thi Hanh

Senior Executive Vice President



Nguyen Thien Hoang

INTERIM CONSOLIDATED CASHFLOW STATEMENT

From 01/01/2022 to 30/09/2022

		Unit: Million VND	
No.	Items	Current Period (From 01/01/2022 to 30/09/2022)	Prior Period (From 01/01/2021 to 30/09/2021)
Cashflow from operating activities			
1	Interest and similar income received	85,645,324	75,552,520
2	Interest and similar expenses paid	(43,134,835)	(41,826,369)
3	Income from services	4,218,051	4,770,199
4	Net gain/loss from trading (foreign currencies, gold and securities)	2,027,197	1,351,828
5	Other income/expenses	(460,743)	(471,430)
6	Recoveries from bad debts written-off or compensated by provision for credit losses	4,305,364	5,253,634
7	Payments for operating and salary expenses	(14,297,246)	(12,245,196)
8	Corporate income tax paid during the period	(1,433,917)	(1,161,200)
Net cashflows from operating activities before changes in operating assets and working capital		36,869,195	31,223,986
Changes in operating assets			
9	(Increase)/Decrease in placement with and loans to other credit institutions	(9,699,010)	2,282,331
10	(Increase)/Decrease in trading securities	(50,344,614)	(21,159,914)
11	(Increase)/Decrease in derivatives and other financial assets	(39,649)	(210,601)
12	(Increase)/Decrease in loans to customers	(140,271,221)	(114,384,073)
13	Decrease in provision for credit losses (loans to customers, securities, long-term	(5,237,844)	(12,126,572)
14	(Increase)/Decrease in other operating assets	(9,831,173)	(386,534)
Changes in operating liabilities			
15	Increase/(Decrease) in borrowings from central banks and the Government	(1,063,901)	(1,217,687)
16	Increase/(Decrease) in deposits and borrowings from other credit institutions	101,708,923	29,596,125
17	Increase/(Decrease) in customers deposits (including deposits from the State Treasury)	144,318,514	83,268,329
18	Increase/(Decrease) in valuable papers issuance (excluding valuable papers issued	20,527,247	51,738,231
19	Increase/(Decrease) in grants, trusted funds and borrowings that the bank bears risk	72,282	865,406
20	Increase/(Decrease) in other operating liabilities	3,381,148	(1,853,102)
I Net cashflows from operating activities		90,389,897	47,635,925

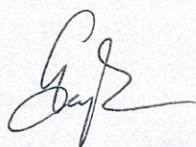
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Quarter III/2022

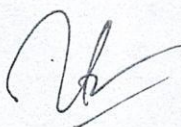
No.	Items	Notes	Current Period (From 01/01/2022 to 30/09/2022)	Prior Period (From 01/01/2021 to 30/09/2021)
Cashflows from investing activities				
1	Acquisition of fixed assets		(626,716)	(630,555)
2	Proceeds from sales, disposal of fixed assets		6,594	4,378
3	Expenses for sales, disposal of fixed assets		(817)	(358)
4	Expenses for investments and capital contribution in other entities		(933)	(53,725)
5	Dividends and profits received from long-term investments and capital contribution		87,923	51,306
II	Net cashflows from investing activities		(533,949)	(628,954)
Cashflows from financing activities				
1	Dividend payment to shareholders, profit distributions		(152,939)	(610,163)
III	Net cashflows from financing activities		(152,939)	(610,163)
IV	Net cashflows for the period		89,703,009	46,396,808
V	Cash and cash equivalents at the beginning of the period		165,330,266	98,771,241
VI	Cash and cash equivalents at the end of the period		255,033,275	145,168,049

Prepared by



Nguyen Thi Huong Giang

Chief Accountant



Ta Thi Hanh

Senior Executive Vice President



Nguyen Thien Hoang

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

I. General information

1. Establishment and operation

The Joint Stock Commercial Bank for Investment and Development of Vietnam ("BIDV" or "the Bank") was established under License for Establishment and Operation No. 84/GP-NHNN dated 23 April 2012 by the SBV (subsequently amended in accordance with the following Decisions: (i) Decision No. 2021/QD-NHNN dated 13 October 2015, (ii) Decision No. 2266/QD-NHNN dated 27 October 2017, (iii) Decision No. 842/QD-NHNN dated 20 April 2018, (iv) Decision No. 1166/QD-NHNN dated 30 May 2018), (v) Decision No. 1506/QD-NHNN dated 27 September 2021, (vi) Decision No. 155/QD-NHNN dated 16 February 2022, (vii) Decision No. 466/QD-NHNN dated 29 March 2022) and the 27th amended Enterprise Registration Certificate No. 0100150619 dated 01 March 2022 by Hanoi Authority for Planning and Investment.

The Bank was established to carry out banking activities under its Establishment and Operation License and Enterprise Registration Certificate, including demand deposits, term deposits, savings deposits and other types of deposits; issuing certificates of deposit, promissory notes, treasury bills and bonds to mobilize domestic and foreign capital; credit granting; opening current accounts for customers; supply of payment facilities; providing payment services; borrowing capital from the State Bank in the form of refinancing; borrowing capital from domestic and foreign credit institutions and financial institutions; opening accounts; organizing and joining the payment system; capital contribution, purchase of shares of enterprises and other credit institutions; participating in bidding for Treasury bills, purchase and sale of negotiable instruments, Government bonds, Treasury bills, State Bank bills and other valuable papers on the money market; trading and providing foreign exchange services on the domestic and international market within the scope prescribed by the State Bank of Vietnam; trading and supplying interest rate derivative products; acting as trustor, trustee and agent in banking-related activities, insurance business and asset management according to the regulations of the State Bank of Vietnam; conducting other business activities of commercial banks such as cash management services, banking and financial consultancy; services of managing, custody services, safe and cabinets for lease; providing advisory services on business finance, enterprise acquisition, disposal, consolidation, merger, and investment; buying and selling Government bonds and corporate bonds according to the provisions of law; providing money brokerage services; providing securities depository and gold trading services; debt purchasing activities; investment in Government bond futures contracts; supplying derivative products for prices of goods; provide clearing and settlement for securities transactions, custodian bank and other business activities of commercial banks and other business activities approved by the State Bank of Vietnam ("SBV") in accordance with the law.

2. Ownership structure

As at 30 September 2022, the Bank's charter capital was VND 50,585,239 million, of which VND 40,967,755 million was contributed by the State (80.99% of charter capital), VND 7,587,786 million was contributed by KEB Hana Bank – the strategic shareholder (15.00% of charter capital) and VND 2,029,698 million by public shareholders via share issuance (4.01% of charter capital).

3. Board of Directors and Supervisory Board

3.1. Board of Directors

<i>Name</i>	<i>Position</i>
Mr. Phan Duc Tu	Chairman of the Board of Directors
Ms. Phan Thi Chinh	Member
Mr. Ngo Van Dung	Member
Mr. Yoo, Je Bong	Member
Mr. Pham Quang Tung	Member
Ms. Nguyen Thi Thu Huong	Member
Mr. Tran Xuan Hoang	Member
Mr. Le Kim Hoa	Member
Mr. Nguyen Van Thanh	Independent member
Mr. Le Ngoc Lam	Member

3.2. Supervisory Board

<i>Name</i>	<i>Position</i>
Ms. Vo Bich Ha	Head of Supervisory Board
Mr. Cao Cu Tri	Specialized Member
Ms. Nguyen Thi Thu Ha	Specialized Member

4. Board of Management and Chief Accountant

<i>Name</i>	<i>Position</i>
Mr. Le Ngoc Lam	Chief Executive Officer
Mr. Quach Hung Hiep	Senior Executive Vice President
Mr. Sung Ki Jung	Member of the Board of Management
Mr. Tran Phuong	Senior Executive Vice President
Mr. Le Trung Thanh	Senior Executive Vice President
Mr. Nguyen Thien Hoang	Senior Executive Vice President
Mr. Tran Long	Senior Executive Vice President
Mr. Hoang Viet Hung	Senior Executive Vice President
Mr. Phan Thanh Hai	Senior Executive Vice President
Ms. Nguyen Thi Quynh Giao	Senior Executive Vice President
Mr. Tu Quoc Hoc	Head of Legal and Compliance Group
Ms. Ta Thi Hanh	Chief Accountant

5. Locations and the Branch network

The Head Office of the Bank is located at BIDV Tower, 194 Tran Quang Khai Road, Ly Thai To Ward, Hoan Kiem District, Hanoi City, Vietnam. The Bank has developed a wide traditional and modern network, covering 63 provinces and cities nationwide, the total number of the Bank's network points as at 30 September 2022 is one hundred and eighty-nine (189) domestic branches, one (01) foreign branch and eight hundred and ninety-five (895) transaction offices. The Bank is one of the top three commercial banks with the most extensive network in Vietnam.

6. Subsidiaries

The Bank has ten (10) subsidiaries as follows:

No.	Subsidiaries	Established in accordance with Decision/License No	Business sector	Proportion of ownership
1	BIDV Asset Management Company Ltd. ("BAMC")	0101196750 dated 14 May 2018 by Hanoi Authority for Planning and Investment	Finance	100.00%
2	Bank for Investment and Development of Cambodia ("BIDC")	B7.09.148 dated 14 August 2009 by the National Bank of Cambodia	Finance/ Banking	98.50%
3	BIDV Securities Joint Stock Company ("BSC") (*)	111/GP-UBCK dated 31 December 2010 by the State Securities Commission of Vietnam	Securities	51.96%
4	Lao – Viet J.V.Bank ("LVB")	985-326 dated 10 June 1999 and the latest amendment No.004-15/KH/DT4 dated 24 August 2015 by the Ministry of planning and Investment of Laos PDR	Banking	65.00%

JOINT STOCK COMMERCIAL BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM

BIDV Tower, 194 Tran Quan Khai Road, Hoan Kiem,
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Interim Consolidated Financial Statements
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5	MHB Securities Corporation ("MHBS")	45/UBCK-GPHDKD dated 28 December 2006 by the State Securities Commission of Vietnam	Securities	60.00%
6	BIDV Insurance Joint Stock Corporation ("BIC")	11/GPDDC7/KDBH dated 06 October 2010 by the Ministry of Finance	Insurance	51.00%
7	BIDV - Sumi Trust Leasing Company Ltd. ("BSL")	0100777569 dated 19 May 2017 by the Authority of Planning and Investment of Ho Chi Minh City	Finance lease	50.00%
8	Lao-Viet Insurance Joint Venture Company ("LVI") (**)	077-08/DT dated 09 June 2008 by the Ministry of Planning and Investment of Laos PDR	Insurance	33.15%
9	Cambodia - Vietnam Securities Plc. (**)	005.SECC/BLPH dated 20 October 2010 by Securities and Exchange Commission of Cambodia	Securities	98.50%
10	Cambodia - Vietnam Insurance Plc. (**)	Registration No. Co. 6037/09E dated 06 August 2009 by the Cambodia's Ministry of Commerce	Insurance	50.23%

(*): BIDV's ownership ratio in BSC changed from 79.94% to 51.96% after BSC increased its charter capital by selling individual shares to foreign investors.

(**): Indirect ownership through subsidiaries.

7. Employees

The total number of officers and employees of the Bank and its subsidiaries as at 30 September 2022 was 28,120.

II. Accounting period and accounting currency

1. Accounting period

The Bank's fiscal year starts on 1 January and ends on 31 December.

2. Accounting currency

Currency used in preparation of the Bank and the local subsidiaries is VND, the subsidiaries in Cambodia is USD and the subsidiaries in Laos is LAK.

III. Applied accounting standards and system

The consolidated financial statements of the Bank are presented in Vietnam Dong ("VND"), prepared in accordance with the Accounting System applicable to Credit Institutions required under Decision No. 479/2004/QĐ-NHNN issued on 29 April 2004 by the Governor of the SBV, effective since 01 January 2005 and supplemented Decisions, Decision No. 16/2007/QĐ-NHNN dated 18 April 2007, amending and supplementing documents and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

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

The accompanying consolidated financial statements have been prepared using accounting principles and reporting practices generally accepted in Vietnam. This consolidated financial statement is not intended to present the consolidated statement of financial position and results of consolidated operations and consolidated cash flows in accordance with accounting principles and practices generally accepted in countries and regimes other than Vietnam.

Assumptions and uses of estimates

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

IV. Summary of significant accounting policies

1. Currencies Conversion

According to the Bank's accounting system, all the transactions are recorded at original currencies. At the report date, the assets and liabilities denominated in foreign currencies are converted into VND using weighted average buying and selling exchange rate at the consolidated statement of financial position date. The detailed currencies exchange rates applied on 30 September 2022 are shown in the Note no. 25.

Income and expenses in foreign currencies during the year are converted into VND by the rates ruling at the transaction dates. Exchange differences arising from revaluing assets and liabilities denominated in foreign currencies into VND are statement of financial position and transferred into "*Net gain/(loss) from trading foreign currencies*" in the consolidated income statement at the end of the fiscal year.

2. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries as at 30 September 2022. The financial statements of the Bank and its subsidiaries are prepared for the same reporting period, using consistent accounting policies.

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

The accompany consolidated financial statements, expressed in Vietnam Dong (VND), are prepared under the historical cost convention and in accordance with accounting standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to consolidated financial reporting. However, due to the Bank's large scale of operations, for the purpose of preparing these consolidated financial statements, the figures are rounded to and presented in millions of Vietnam Dong (VND million). This presentation does not materially impact the consolidated financial statements in terms of the consolidated statement of financial position, results of consolidated operations and the consolidated cash flows of the Bank and its subsidiaries.

Non-controlling interest is a part of a subsidiary's net income and net asset value which is determined respectively for the interest that the Parent Bank does not own directly or indirectly through their subsidiaries. The non-controlling interest is presented in Consolidated Statement of financial position as a separate line in owners' equity item. The non-controlling interest in the results of consolidated operations must be presented as an independent item in the consolidated income statement.

The reporting currency of Cavifood, VALC and BIDC is USD. The reporting currency LVI is Laos Kip ("LAK"). The reporting currency for the consolidation purpose of LVB is VND. For the purpose of consolidation under the equity method for investments in joint ventures, associates in the consolidated financial statements of the Bank and its subsidiaries, those assets and liabilities shall be converted into Vietnam Dong at the exchange rate of the consolidated statement of financial position date, capital account shall be converted into Vietnam Dong at the exchange rate of the transaction date, and consolidated income statements shall be translated at average exchange rates in the financial year. Foreign exchange differences arising from the translation of the financial

statements into Vietnam Dong are recorded in the "Foreign exchange differences" item in the consolidated statement of financial position and recognized in the consolidated income statement at the date of disposals of investments.

3. Derivative financial instruments and hedging

3.1. Foreign currency forward and swap contracts

For foreign currency forward and swap contract, the difference between equivalent VND amounts of foreign currency commitments to buy/sell using forward exchange rate and spot exchange rate as at effective date of the contract is recognized immediately at the effective date of the contract in "Interest and fee payable" or "Interest and fee receivable" item in the consolidated statement of financial position. The difference is subsequently allocated to "Net gain/(loss) from trading gold and foreign currencies" item using the straight-line method over the term of the contract. The commitments of foreign currency forward are revaluated using the average buying and selling rates announced by the Bank at the end of working day of the month/ quarter/year. The exchange differences arising from the revaluation of foreign currency of forward contracts are recognised in the "Net gain/(loss) from trading gold and foreign currencies" item in the consolidated income statement.

3.2. Interest rate swap contracts

Commitments of one-currency-interest-rate swap contracts are not recorded in the consolidated statement of financial position. For two-currency-interest-rate swap contracts with nominal principal amount exchanged at the value date, commitments are recognized in the statement of financial position. Income and expenses arising from interest rate effects are recorded on the accrual basis. For two-currency-interest-rate swap contracts of which there are no cash flows in and out of the principal amount, commitments are recognized in the statement of financial position only at the date of principal exchange. Income and expenses arising from interest rate effects are recorded on the accrual basis.

4. Interest income and interest expense

Income from interest and interest expenses are recognized in the consolidated income statement on an accrual basis. According to Circular No.11/2021/TT-NHNN issued on 30 July 2021 prescribing classification of assets, amounts and methods of setting up risk provisions and use of provisions for control and management of risks arising from operations of credit institutions and foreign bank branches ("Circular 11"), the accrued interest income arising from the loans that are classified from group 2 to group 5 is not recognized in the income statement. Accrued interest receivables on such loans are recorded as off-balance-sheet item and recognized in the consolidated income statement when they are actually received.

Income and expenses from interest on investments in securities are recorded on the accrual basis. Accrued interest income of overdue securities is not recognized in the income statement and is recorded as off-balance sheet item and only recognized in the income statement when it is actually received.

5. Fees and commissions

Fees and commissions are recognized on an accrual basis.

Fees collected from guarantee activities, letters of credit, investment activities (bonds, etc.) are accounted for on the basis of accrual and allocation.

6. Loans to customers

Loans to customers are presented at the principal amounts outstanding at the date of the consolidated financial statements.

Loan classification and provisions for credit losses

Loan classification and credit risk provisioning in compliance with Circular 11 are applied to Assets (hereinafter referred to as "debts") including:

- Loans;
- Financial leases;
- Discounts, rediscounts of negotiable instruments and other valuable papers;

- Factoring;
- Credit facilities in the form of credit card issuance;
- Payments on behalf under off-balance-sheet commitments;
- Amounts for purchase and entrustment of purchase of corporate bonds unlisted on the stock market or unregistered to be traded in the Unlisted Public Company Market (Upcom) (hereinafter referred to as unlisted bonds), excluding entrusted capital sources for purchase of unlisted bonds whereby the entrusting parties bear risks;
- Credit granting entrustment;
- Making deposits (excluding current accounts, deposits made at social policy banks in accordance with the regulations of the SBV on state credit institutions' maintenance of balance of deposits at social policy banks) at credit institutions and foreign bank branches as prescribed by law, and making deposits at overseas credit institutions;
- Buying and selling debts according to the State Bank's regulations on debt sale and purchase;
- Repos of government bonds in the stock market in accordance with law on issuance, registration, safekeeping, listing and trading of government debt securities in the stock market;
- Purchases of promissory notes, treasury bills and certificates of deposit issued by other credit institutions and foreign bank branches.

Accordingly, customers' loans are in the higher risk group when being classified under Article 10 and Article 11 of Circular 11 and the customers' debt group provided at the time of loan classification by the Credit Information Center ("CIC") of the SBV.

The Bank and its subsidiaries maintain the debt group for certain loans as stipulated in Circular No. 10/2015/TT-NHNN dated 22 July 2015 of the SBV guiding the implementation of some contents of the Government's Decree No. 55/2015/ND-CP dated 09 June 2015 on credit policy for agricultural and rural development; Circular 09; Circular 01, Circular No. 01/2020/TT-NHNN dated 13 March 2020, Circular No. 03/2021/TT-NHNN dated 02 April 2021 issued by the Governor of the SBV on loan rescheduling, exemption or reduction of interest and fees, retention of loan category to assist borrowers affected by Covid-19 pandemic and other documents of the SBV on loan classification and credit risk provisioning.

Loans are classified by risk level into: Standard, Special mention, Substandard, Doubtful, and Loss. Loans classified as either Substandard, Doubtful or Loss are considered as bad debts. Loan classification and provision making will be made at the end of each month during the financial year.

Net credit risk exposure for each customer is calculated by subtracting from the remaining loan balance the discounted value of collateral which is subject to discount rates in accordance with Circular 11 from the remaining loan balance. Specific provision is made based on the net credit risk exposure of each item using the prescribed provision rates as follows:

Group	Category	Provision Rate
1	Standard	0%
2	Special mention	5%
3	Substandard	20%
4	Doubtful	50%
5	Loss	100%

In accordance with Circular 11, a general provision is made for credit losses which are yet to be identified during the loan classification and specific provision process as well as in case where the Bank encounters potential financial difficulty due to the deterioration in loan quality. Accordingly, the Bank is required to fully make and maintain a general provision at 0.75% of total loans which are classified in groups 1 to 4 excluding deposits and loans, repurchase and reverse repurchase agreements of valuable papers with credit institutions, branches of foreign banks in Vietnam and deposits at foreign credit institutions; Loans, forwards of securities between credit

institutions and foreign bank branches in Vietnam; Purchases of promissory notes, treasury bills, certificates of deposit or bonds issued by credit institutions and foreign bank branches onshore and Repos of government bonds

Write-off of bad-debts

Provision is recorded in the consolidated income statement as an expense and will be used to write off bad debts. The Bank must set up Risk Settlement Committee to write off bad debts if they are classified in Group 5, or if legal entity borrowers are liquidated or bankrupted, or if individual borrowers deceased or are missing and physical losses of assets is available in accordance with Article 18 of Circular 11.

Classification of off-balance-sheet commitments

The Bank classifies guarantee, acceptances of payment and unconditional, irrevocable loan commitments with specific effective date (collectively referred to as "off-balance-sheet commitments") into groups as stipulated in Article 9, Article 10 or Article 11 of Circular 11. Accordingly, off-balance-sheet commitments are classified by risk level as follows: Standard, Special mention, Substandard, Doubtful and Loss.

7. Investments

7.1 Trading securities

Trading securities include debt securities, equity securities and other securities acquired and held for the purpose of reselling within one year to gain profit on price variances.

Trading securities are recognised at cost of the acquisition date and subsequently presented at the cost during the subsequent holding period.

Interest and cash dividends received from trading securities are recognised on the cash basis in the consolidated income statement.

7.2 Available-for sale securities

Available-for-sale securities include debt and equity securities in which the Bank holds less than 20% of voting rights and available-for-sale purposes, not regularly traded but can be sold whenever there is a benefit, and the Bank is also neither the founder shareholder nor the strategic partner and does not have the ability to make certain influence in establishing and deciding the financial and operating policies of the investees through a written agreement on assignment of its personnel to the Board of Directors/Management.

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

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

In subsequent periods, these securities are continuously recorded at par value, and the discount/premium (if any) is amortized to the consolidated income statement on a straight-line basis over the remaining term of securities. The interest received in the holding period of these securities is recorded as follows: Cumulative interest incurred before the purchasing date is recorded as a decrease in the "Accrued interest receivable" account; cumulative interest incurred after the purchasing date is recognized as income based on an accrual basis. The interest received in advance is amortized into the securities investment interest income on a straight-line basis over the term of securities investment.

7.3 Held-to-maturity investment securities

Held-to-maturity securities are debt securities purchased by the Bank for the investment purpose of earning interest and the Bank has the capability and intention to hold these investments until maturity. Held-to-maturity securities have the determined value and specific maturity date. In case the securities are sold before the maturity

date, these securities will be reclassified to trading securities or available-for-sale securities. Held-to-maturity securities are recorded and measured identical to debt securities available-for-sale.

7.4 Provision for securities

Securities subject to Circular 11 are classified for debt and provision is made similar to the policy of debt classification and provision for loans to customers as presented in Note 5. Securities that are not subject to regulation of Circular 11, provision is made for devaluation when the book value is higher than the market value determined in accordance with the provisions of Circular No. 48/2019/TT-BTC dated 8 August 2019 and Circular No. 24/2022/TT-BTC amending Circular 48 dated 7 April 2022 issued by the Ministry of Finance. Provisions and allowances for devaluation of trading securities are recognized in the consolidated income statement under the item "Net gain/(loss) from trading securities". Provisions and allowances for devaluation of available-for-sale investment securities and held-to-maturity investment securities are recognized in the consolidated income statement under the item "Net gain/(loss) from investment securities".

8. Cash and Cash equivalents

Cash and cash equivalents comprise cash, current accounts at the SBV, Government bills and other short-term valuable papers which can be rediscounted with the SBV, securities, current deposits, placements with and loans to other credit institutions with an original maturity of three months or less from the transaction date, high liquidity, which are readily convertible into certain amounts of cash and that are subject to an insignificant risk of change in value.

9. Corporate income taxes:

Current income tax

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

Current income tax is charged or credited to the consolidated income statement except when it relates to items recognized directly to equity, in this case the current income tax is also recognized in equity.

The Bank may only offset current corporate income tax assets and current corporate income tax payable when the Bank has a legal right to offset the current corporate income tax assets with income tax and the Bank intend to settle its current tax and liabilities on a net basis.

The Bank's tax reports will be subject to examination by the tax authorities. Since the application of tax laws and regulation for different types of operations can be explained in various ways, the tax amounts presented on the separate financial statements may be changed by the final decision of tax authorities.

Deferred corporate income tax:

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

Deferred tax liabilities are generally recognized for all taxable temporary differences, unless they occurred from the initial recognition of an asset or liability of a transaction which has no impact on accounting profit or taxable profit/(loss) at the transaction date.

Deferred tax assets are recognised for all deductible temporary differences to the extent that it is certain that taxable profit will be available against such deductible temporary differences, except for the deferred tax asset which arise from the initial recognition of an asset or liability of a transaction which at the time of the related transaction, affects neither the accounting profit nor taxable profit or loss.

The carrying amount of deferred income tax assets is reviewed at each statement of financial position date and reduced to the extent that is certain that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Previously unrecognised deferred income tax assets are reassessed at each statement

of financial position date and are recognised to the extent that it has become certain that taxable profit is sufficient to allow the unrecognized deferred tax assets to be utilized.

Deferred tax is charged or credited to the consolidated income statement, except when it relates to items recognized directly to equity, in which case the deferred tax is also recognized in equity.

The Bank and its subsidiaries are only allowed to offset deferred tax assets and deferred tax liabilities when the Bank and its subsidiaries have a legally enforceable right to offset current tax assets against current tax liabilities and when they relate to income taxes levied by the same tax authority for the same taxpayer and the Bank and its subsidiaries intend to settle its current tax assets and liabilities on a net basis.

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

10. Accounting of borrowings, issued debt securities, equity instruments

- Principle of recognizing borrowing costs: Borrowings are presented at the principal amounts outstanding at the reported date

- Issued bonds (valuable papers) are presented at the Consolidated Statement of financial position by net value (determined by Par value of Valuable papers (-) Discount of valuable papers (+) Premium amount of valuable papers. Accrued interest are calculated by straight-line basis.

11. Equity

11.1 Ordinary shares

Ordinary shares are classified as equity.

11.2 Share premium

On receipt of capital from shareholders, the difference between the issuance price and the par value of the shares is recorded as share premium in equity. Direct costs related to the issuance of ordinary shares are recognized as a deduction from the share premium.

11.3 Treasury stock

On redemption of issued shares, the total amount of payment including direct costs related to the redemption, after deduction of taxes, is recognized as treasury shares and stated as a decrease in owners' equity.

11.4 Reserves and uses of funds from profits after tax

Reserves are used for specific purposes and deducted from the Bank's profit after tax, based on the prescribed ratios in the following order:

- Chartered capital supplementary reserve: 5% of profit after tax, and not exceeding the Bank's charter capital;
- Financial reserve: 10% of profit after tax;
- Other reserves (if any) will be decided by the General Meeting of Shareholders.

V. Additional information for items presented in the Statement of financial position

Unit: Million VND

1. TRADING SECURITIES

	30/09/2022	31/12/2021
Debt securities	423,827	5,391,158
- Securities issued by the Government	105,167	5,198,029
- Securities issued by other local credit institutions	170,790	102,803
- Securities issued by the economic entities	147,870	90,326
Equity securities	740,916	692,007
- Equity securities issued by local credit institutions	138,089	140,323
- Equity securities issued by local economic entities	602,506	551,254
- Equity securities issued by foreign entities	321	430
Provision for impairment of trading securities	(53,987)	(14,252)
	1,110,756	6,068,913

2. DERIVATIVES AND OTHER FINANCIAL ASSETS/ (LIABILITIES)

	Total net book value (at the exchange rates as at the date of the consolidated financial statements)		
	Assets	Liabilities	Net value
As at 30/09/2022	57,141,556	(56,909,626)	231,930
Currency derivatives	56,311,599	(56,061,258)	250,341
- Forward contracts	32,682,642	(32,337,316)	345,326
- Swap contracts	23,628,957	(23,723,942)	(94,985)
Other derivatives	829,957	(848,368)	(18,411)
- Interest rate swap contracts	829,957	(848,368)	(18,411)
As at 31/12/2021	65,257,306	(65,065,024)	192,282
Currency derivatives	63,998,176	(63,822,927)	175,249
- Forward contracts	11,839,356	(11,810,569)	28,787
- Swap contracts	52,158,820	(52,012,358)	146,462
Other derivatives	1,259,130	(1,242,097)	17,033
- Interest rate swap contracts	1,259,130	(1,242,097)	17,033

3. LOANS TO CUSTOMERS

	30/09/2022	31/12/2021
Loans to local economic entities and individuals	1,460,088,659	1,318,860,723
Receivables from finance leases	3,286,555	2,708,287
Paymend on behalf of customers	189,558	300,438
Loans to foreign entities and individuals	31,339,094	32,763,195
	1,494,903,866	1,354,632,643

3.1. Analysis of loan portfolio by quality

	30/09/2022	31/12/2021
Standard	1,456,111,309	1,325,854,570
Special mention	18,667,339	15,231,757
Substandard	2,834,257	2,757,520
Doubtful	4,160,092	3,505,769
Loss	13,130,869	7,283,027
	<u>1,494,903,866</u>	<u>1,354,632,643</u>

3.2. Analysis of loan portfolio by original term

	30/09/2022	31/12/2021
Short - term loans	965,171,931	872,506,323
Medium - term loans	77,177,820	73,765,136
Long - term loans	452,554,115	408,361,184
	<u>1,494,903,866</u>	<u>1,354,632,643</u>

4. PROVISIONS FOR CREDIT LOSSES ON LOAN TO CUSTOMERS

	<u>General provision</u>	<u>Specific provision</u>
As at 01/01/2022	10,098,422	19,005,296
Provision charged during the year	1,007,287	18,266,598
Provisions used to write-off bad debt	-	(5,237,844)
Other increases/decreases	1,195	(119,516)
As at 30/09/2022	<u>11,106,904</u>	<u>31,914,534</u>
As at 01/01/2021	8,543,856	10,512,092
Provision charged during the year	1,183,922	22,017,040
Provisions used to write-off bad debt	-	(12,126,572)
Other increases	461	(76,021)
As at 30/09/2021	<u>9,728,239</u>	<u>20,326,539</u>

5. INVESTMENTS SECURITIES

	30/09/2022	31/12/2021
Available-for-sale securities		
Debt securities	157,943,939	111,608,009
-Securities issued by the Government	60,622,608	59,786,386
-Securities issued by other local credit institutions	91,770,121	45,423,447
-Securities issued by local economic entities	5,551,210	6,398,176
Equity securities	65,156	67,305
- Equity securities issued by other local credit	23,064	23,064
-Equity securities issued by local economic entities	35,491	35,491
-Equities securities issued by the foreign entities	6,601	8,750
	139,400,232	111,675,314
Provision of available-for-sale securities	(171,408)	(180,849)
	139,228,824	111,494,465
Held-to-maturity investment securities		
-Securities issued by the Government	54,144,419	48,988,217
-Securities issued by other local credit institutions	12,769,588	8,915,074
-Securities issued by local economic entities	7,197,275	7,769,742
-Securities issued by the foreign entities	22,379	38,360
	75,304,721	65,711,393
Provision of held-to-maturity securities	(47,857)	(117,063)
	74,085,804	65,594,330
	213,314,628	177,088,795

6. LONG - TERM INVESTMENTS

	30/09/2022	31/12/2021
Investments in joint-ventures	2,310,463	2,134,086
Investments in associates	674,504	595,596
Other long-term investments	215,211	215,617
Provision for long-term investments	(110,113)	(97,652)
	3,090,065	2,847,647

- List of important joint-ventures and associates

	30/09/2022			31/12/2021		
	Cost	Present Value	Proportion owned by the Bank	Cost	Present Value	Proportion owned by the Bank
Investments in credit institutions	1,505,054	1,751,233		1,505,054	1,600,737	
Vietnam-Russia J.V. Bank	1,505,054	1,751,233	50.0%	1,505,054	1,600,737	50.00%
Investments in economic entities	810,296	1,233,734		810,296	1,128,945	
BIDV Tower J.V. Company	115,089	256,000	55.00%	115,089	242,491	55.00%
BIDV Metlife Life Insurance Co., Ltd.	451,000	303,230	37.25%	451,000	290,858	37.25%
Vietnam Aircraft Leasing Company	244,207	674,504	18.52%	244,207	595,596	18.52%
Cavifood Company Ltd	-	-	32.51%	-	-	32.51%
	2,315,350	2,984,967		2,315,350	2,729,682	

7. BORROWINGS FROM THE GOVERNMENT AND THE STATE BANK

	30/09/2022	31/12/2021
Borrowings from the SBV	6,959,649	8,149,986
Current accounts held by State Treasury	1,610,383	1,787,077
Term deposits held by State Treasury	120,669,000	10,000,000
Deposits from the MOF	5,529,391	5,402,955
	134,768,423	25,340,018

8. DEPOSITS AND BORROWINGS FROM OTHER INSTITUTIONS

	30/09/2022	31/12/2021
Deposit from other credit institutions	157,871,098	58,953,639
Demand deposits	68,250,674	12,117,060
- In VND	48,166,519	7,302,940
- In foreign currencies	20,084,155	4,814,120
Term deposits	89,620,424	46,836,579
- In VND	79,695,000	29,650,000
- In foreign currencies	9,925,424	17,186,579
Borrowings from other credit institutions	41,845,218	39,053,753
- In VND	2,896,945	3,040,262
- In foreign currencies	38,948,273	36,013,491
	199,716,316	98,007,392

9. CUSTOMERS DEPOSITS

	30/09/2022	31/12/2021
Demand deposits	260,323,339	267,330,692
- Demand deposits in VND	224,079,391	241,146,028
- Demand deposits in foreign currencies	36,243,948	26,184,664
Term deposits	1,148,656,664	1,107,780,582
- Term deposits in VND	1,091,589,832	1,062,171,574
- Term deposits in foreign currencies	57,066,832	45,609,008
Deposits for specific purposes	5,244,006	5,286,525
	1,414,224,009	1,380,397,799

10. VALUABLE PAPERS ISSUED

	30/09/2022	31/12/2021
Certificates of deposits	89,244,519	79,426,444
Terms under 12 months	54,776,809	45,984,800
Terms from 12 months to under 05 years	34,467,686	33,439,349
Terms from 05 years onwards	24	2,295
Bills	620	620
Terms under 12 months	297	297
Terms from 12 months to under 05 years	323	323
Bonds	13,426,427	3,120,412
Terms from 12 months to under 05 years	11,439,901	1,127,901
Terms from 05 years onwards	1,986,526	1,992,511
BIDV's subordinated bonds issued	41,537,438	41,134,281
	144,209,004	123,681,757

11. OTHER LIABILITIES

	<u>30/09/2022</u>	<u>31/12/2021</u>
Internal payables	4,307,169	3,030,583
External payables	10,424,303	7,027,845
Bonus and welfare funds	1,984,297	1,889,663
	<u>16,715,769</u>	<u>11,948,091</u>

12. OBLIGATIONS TO THE STATE BUDGET OF THE BANK

	<u>31/12/2021</u>	<u>During the year</u>		<u>30/09/2022</u>
		<u>Payable</u>	<u>Paid</u>	
1. Value-added tax	(7,734)	417,294	(472,481)	(62,921)
2. Corporate income tax	554,614	3,478,421	(1,433,917)	2,599,118
3. Other taxes	151,673	1,069,531	(1,118,695)	102,509
4. Other obligations, fees and charges	175,252	172,320	(172,527)	175,045
	<u>873,805</u>	<u>5,137,566</u>	<u>(3,197,620)</u>	<u>2,813,751</u>

- Deferred corporate income tax liabilities

	<u>30/09/2022</u>	<u>31/12/2021</u>
Deferred tax liabilities are recognized for all taxable temporary differences	103,429	114,444
	<u>103,429</u>	<u>114,444</u>

JOINT STOCK COMMERCIAL BANK FOR INVESTMENT AND DEVELOPMENT OF VIETNAM

BIDV Tower, 194 Tran Quan Khai Road, Hoan Kiem,

Ha Noi, Socialist Republic of Viet Nam

Consolidated financial Statements
Quarter III, 2022

13. OWNERS' EQUITY

13.1. Statement of changes in equity

	Charter Capital	Share premium	Other capital	Foreign exchange difference	Investment & development fund	Financial reserve	Charter capital supplementary reserve	Other reserves	Retained earnings	Non- Controlling interests	Total
Opening balance	50,585,239	14,292,382	267,851	(367,882)	172,455	6,217,587	3,251,948	42,961	8,672,557	3,193,928	86,329,026
Profit after tax for the period	-	-	-	-	-	-	-	-	14,006,980	184,557	14,191,537
Appropriation to/Temporary	-	-	-	-	49,252	1,550	14,988	3,511	(69,301)	-	-
appropriation to funds	-	-	-	-	-	-	-	-	(1,904,466)	(61,057)	(1,965,523)
Appropriation to/Temporary	-	-	-	-	-	-	-	-	-	-	-
appropriation to bonus and welfare funds	-	-	-	-	-	-	-	-	-	(149,172)	(149,172)
Dividends declared during the period	-	-	-	-	-	-	-	-	(90,461)	1,755,885	2,694,079
Changes due to BSC's increase in charter capital from private placement of shares	-	1,059,025	-	-	-	(15,185)	(15,185)	-	-	-	-
Exchange differences due to conversion of financial statements of subsidiaries	-	-	-	(207,434)	(21)	(134)	(74)	(398)	(1,849)	(244,667)	(454,577)
Differences due to revaluation	-	-	-	289,583	-	-	-	-	-	-	289,583
Other increases/ (decreases)	-	-	-	19,779	-	889	1,478	-	(20,381)	(11,658)	(9,893)
Closing balance	50,585,239	15,351,407	267,851	(265,954)	221,686	6,204,707	3,253,155	46,074	20,593,079	4,667,816	100,925,060

13.2. Details of the Bank's investment capital

	Ordinary share capital	Preferred share capital	Total
As at 30/09/2022			
Capital contributed by the State	40,967,755	-	40,967,755
Contributed capital	9,617,484	-	9,617,484
Share premium	15,351,407	-	15,351,407
	65,936,646	-	65,936,646
As at 31/12/2021			
Capital contributed by the State	40,967,755	-	40,967,755
Contributed capital	9,617,484	-	9,617,484
Share premium	14,292,382	-	14,292,382
	64,877,621	-	64,877,621

13.3. Details of the Bank's shares

	30/09/2022	31/12/2021
Number of registered shares	5,058,523,816	5,058,523,816
Number of issued shares	961,748,355	961,748,355
- Ordinary shares	961,748,355	961,748,355
Number of circulated shares	5,058,523,816	5,058,523,816
- Ordinary shares	5,058,523,816	5,058,523,816
<i>Par value of each share</i>	<i>10.000 VND/per share</i>	<i>10.000 VND/per share</i>
<i>Unit: share</i>		

VI. Additional information for the items presented in the Income Statement

14. INTEREST AND SIMILAR INCOME

	From 01/01/2022 to 30/09/2022	From 01/01/2021 to 30/09/2021
Interest income from deposits	2,497,243	1,585,653
Interest income from loans to customers	76,905,661	67,469,983
Interest income from debt securities	5,553,027	4,766,300
- Interest income from trading securities	64,342	161,520
- Interest income from investment securities	5,488,685	4,604,780
Income from guarantee activities	1,494,844	1,455,597
Income from finance leases	172,973	133,309
Other income from credit activities	383,743	808,136
	87,007,491	76,218,978

15. INTEREST AND SIMILAR EXPENSES

	From 01/01/2022 to 30/09/2022	From 01/01/2021 to 30/09/2021
Interest expenses for deposits	39,747,913	35,663,873
Interest expenses for borrowings	1,113,929	910,886
Interest expenses for valuable papers issued	4,527,696	3,562,953
Expense for other credit activities	86,456	117,076
	45,475,994	40,254,787

16. NET GAIN/LOSS FROM TRADING SECURITIES

	From 01/01/2022 to 30/09/2022	From 01/01/2021 to 30/09/2021
Income from trading securities	217,313	785,163
Expenses for trading securities	(239,744)	(204,872)
Reversal made for impairment of trading securities	(39,662)	(10,303)
	<u>(62,093)</u>	<u>569,988</u>

17. NET GAIN/LOSS FROM INVESTMENT SECURITIES

	From 01/01/2022 to 30/09/2022	From 01/01/2021 to 30/09/2021
Income from investment securities	45,121	1,356
Expenses for investment securities	(6,602)	(4,165)
Provision for investment securities	78,646	(338,889)
	<u>117,165</u>	<u>(341,698)</u>

18. INCOME FROM CAPITAL CONTRIBUTION, EQUITY INVESTMENTS

	From 01/01/2022 to 30/09/2022	From 01/01/2021 to 30/09/2021
Dividends received from capital contribution, share purchase:	51,162	16,089
- From trading equity securities	15,533	14,697
- From capital contribution	35,629	634
Share of profit/loss in associates and joint-ventures, using equity method	195,558	136,986
	<u>246,720</u>	<u>153,075</u>

19. TOTAL OPERATING EXPENSES

	From 01/01/2022 to 30/09/2022	From 01/01/2021 to 30/09/2021
1. Expenses on taxes, fees and charges	56,235	47,561
2. Employees costs:	8,625,989	8,215,030
In which: - Salaries and benefits	7,063,095	6,796,141
- Expenses contributed from salaries	723,936	736,020
- Allowances	538,679	403,070
- Other expenses	14,332	11,437
3. Expenses on assets	2,288,831	2,111,004
In which: Depreciation and amortization expenses	772,394	769,184
4. Administrative expenses	3,239,590	2,146,206
In which: - Per-diem	147,920	87,939
- Expenses on union activities of credit institution	14,656	5,064
5. Insurance fees for customer deposits	769,309	712,600
6. Provision/reversal (excluding credit provision; allowances for decline in value of securities)	(10,139)	(16,837)
	<u>14,969,815</u>	<u>13,215,564</u>

VII. Other information

Unit: Million VND

20. RELATED PARTY TRANSACTIONS

Details of significant balances due to and due from related parties as at 30 September 2022 were as follows:

Related parties	Transactions	Receivables	Payables
State authorities	The Bank's deposits at State authorities	39,968,056	-
	Deposits of State authorities at the Bank	-	(126,644,533)
	State authorities' loan to the Bank	-	(6,898,055)
Strategic Shareholder	Deposits of Strategic Shareholder at the Bank	-	(79,023)
	The Bank's deposits at Strategic Shareholder	654,469	-
Joint-ventures	Deposits of Joint -ventures at the Bank	-	-
	The Bank's deposits at joint-ventures	3,681,256	(3,820,848)
	The Bank's loan to joint ventures	2,134	-
Associates	Deposits of associates at the Bank	20,000	(594,425)
	The Bank's loan to associates	332,827	-

21. GEOGRAPHICAL STRUCTURE OF ASSETS, LIABILITIES AND OFF-BALANCE SHEET ITEMS

	Total loan balance	Total deposit balance	Off-balance-sheet commitments	Derivatives (total contract value)	Trading and investment in securities
Domestic	1,498,106,046	1,676,306,389	326,150,825	231,930	232,027,931
Overseas	22,908,827	23,597,492	241,515	-	1,279,568

22. RISK MANAGEMENT POLICIES RELATED TO FINANCIAL INSTRUMENTS

On 29 November 2019, the Governor of the State Bank of Vietnam signed Decision No. 2505/QĐ-NHNN, which recognizes the Joint Stock Commercial Bank for Investment and Development of Vietnam to implement Circular No. 41/2016/TT- NHNN dated 30 December 2016 ahead of time, starting from 01 December 2019. In addition to implementing to meet the SBV's requirements on Risk Management ("RM"), with the support of consulting units, the Bank also always actively researches and develops risk management to meet the requirements of internal management and follow good practices in the world.

Market risk management, the interest rate of bank book, and liquidity are centrally managed at the head office with the organizational structure set up according to the model of 3 defense lines. The Bank has issued a complete system of policies, regulations and professional guidance manuals.

Portfolios with market risk exposures are priced at market prices or modeled daily. The Bank has developed market risk measurement tools including actual and expected status, profit and loss, sensitivity indicators (BPV, duration, etc.), VaR; Hypothesis testing of VaR models and testing of market risk tolerance are also carried out periodically. A limit system is set up and monitored to control daily market risk, including quantitative limits (status, stop loss limit, BPV limit, VaR limit) and qualitative limit (real product, currency, term, etc.). The minimum required capital for market risk is determined by the Circular 41/2016/TT-NHNN.

In order to manage credit risk, the Bank has issued and implemented internal credit policies and procedures. The Bank manages liquidity risk on the principle of ensuring the compliance with the regulations of the State Bank in the activities of credit institutions, maintaining the appropriate size and quality of highly liquid assets to ensure payment safety at all times. The measurement of liquidity risk is done through the cash flow method (liquidity gap) and the index method (including the set of indicators prescribed by the State Bank and the internal indicators); liquidity resistance test is done every 6 months. The bank has set up a limit system/warning threshold corresponding to the indicators.

Bank book interest rate risk is measured by assessing the impact on the bank's net interest income (NII) and capital economic value (EVE). Accordingly, the Bank establishes interest rate gap status limits, changes in net

interest income, time gap and fluctuations in the equity of equity to control potential impacts of bank book interest rate risk.

The Bank has implemented application programs to automate the measurement, monitoring, and reporting of market risks, the interest rate of bank books and liquidity. The internal reporting system on market risk management, bank book interest rates, and liquidity is implemented daily, quarterly and irregularly in accordance with the regulations of the State Bank, meeting the requirements of internal management.

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23. MARKET RISK

23.1 Interest rate risk

	Over due	Non-interest bearing	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 1 to 5 years	Over 5 years	Total
Assets									
Cash, gold and gemstones	-	12,176,802	-	-	-	-	-	-	12,176,802
Balances with Central Banks	-	41,225,195	3,778,236	-	-	-	-	-	45,003,431
Placements with and loans to other credit institutions (*)	1,057	1,722,730	194,985,438	22,875,268	35,582,563	4,586,894	49,425	-	259,803,375
Trading securities (*)	-	1,005,176	5,104	50,589	65,922	31,132	6,820	-	1,164,743
Derivatives and other financial liabilities	-	-	(34,473)	(149,406)	413,571	507	1,731	-	231,930
Loans to customers and unlisted corporate bonds (*)	19,903,233	862,440	233,459,369	524,015,908	508,569,990	165,682,349	45,817,891	9,343,997	1,507,655,177
Investment securities (excluding unlisted corporate bonds) (*)	-	4,115,980	163,277	4,688,306	6,805,294	38,275,401	88,558,519	76,784,668	219,391,445
Long-term investments (*)	-	3,200,178	-	-	-	-	-	-	3,200,178
Fixed assets	-	10,131,837	-	-	-	-	-	-	10,131,837
Other assets (*)	554,340	33,720,267	-	-	-	-	-	-	34,274,607
Total Assets	20,458,630	108,160,605	432,356,951	551,480,665	551,437,340	208,576,283	134,434,386	86,128,665	2,093,033,525
Liabilities									
Deposits and borrowings from the Government, central banks and other credit institutions	-	3,709,673	268,430,991	41,291,922	12,633,419	5,934,673	2,173,292	310,769	334,484,739
Deposits from customers	-	3,181,652	525,023,271	260,631,529	243,940,072	358,635,467	22,753,949	58,069	1,414,224,009
Grants, trusted funds and borrowings that the Bank bears risk	-	-	9,851,989	2,504,400	1,894,678	21,266	129,830	20,115	14,422,278
Valuable papers issued	-	-	7,626,651	25,066,608	12,365,512	90,680,169	5,563,044	2,907,020	144,209,004
Other liabilities	-	40,687,628	-	-	-	-	-	-	40,687,628
Total liabilities	-	47,578,953	810,932,902	329,494,459	270,833,681	455,271,575	30,620,115	3,295,973	1,948,027,658
On-balance sheet interest sensitivity gap	20,458,630	60,581,652	(378,575,951)	221,986,206	280,603,659	(246,695,292)	103,814,271	82,832,692	145,005,867
Total interest sensitivity gap	20,458,630	60,581,652	(378,575,951)	221,986,206	280,603,659	(246,695,292)	103,814,271	82,832,692	145,005,867

(*) Excluding risk provision

23.2. Currency risk

Items	Converted EUR	Converted USD	Converted other currencies	Total
Assets				
Cash, gold and gemstones	267,818	2,104,725	388,935	2,761,478
Balances with Central Banks	36,525	11,563,534	1,350,985	12,951,044
Placements with and loans to other credit institutions (*)	2,231,558	54,973,980	3,245,840	60,451,378
Derivatives and other financial liabilities	(11,762)	1,282,088	(1,916,526)	(646,200)
Loans to customers (*)	4,463	99,751,078	6,105,675	105,861,216
Investment securities (*)	-	22,379	1,257,189	1,279,568
Long-term investments (*)	-	463,692	2,159	465,851
Fixed assets	-	186,916	315,810	502,726
Other assets (*)	9,808	4,658,207	531,128	5,199,143
Total Assets	2,538,410	175,006,599	11,281,195	188,826,204
Liabilities				
Deposits and borrowings from the Government, central banks and other credit institutions	(186,223)	(71,537,439)	(1,397,271)	(73,120,933)
Deposits from customers	(2,200,097)	(84,511,036)	(8,021,115)	84,708,848
Grants, trusted funds and borrowings that the Bank bears risk	(126,281)	(3,975,515)	-	(4,101,796)
Valuable papers issued	-	(447)	-	(447)
Other liabilities	(20,367)	(6,150,639)	(1,486,553)	(7,657,559)
VII- Capital and reserves	-	-	1,428,254	-
Total liabilities	(2,532,968)	(166,175,076)	(10,904,939)	159,839,337
On-balance-sheet currency position	5,442	8,831,523	376,256	5,730,250
Off-balance-sheet currency position	(5,881)	(9,929,221)	8,280	(7,554,567)
On and off-balance-sheet currency position	(439)	(1,097,698)	384,536	(1,824,317)

(*) Excluding risk provision

(*) Excluding risk provision

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23.3. Liquidity Risk

Items	Overdue		Current					Total
	Over 3 months	Due within 3 months	Due within 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	Over 5 years	
Assets								
Cash, gold and gemstones	-	-	12,176,802	-	-	-	-	12,176,802
Balances with Central Banks	-	-	45,003,431	-	-	-	-	45,003,431
Placements with and loans to other credit institutions (*)	1,057	-	189,207,203	23,582,492	41,630,557	5,162,817	219,249	259,803,375
Trading securities (*)	-	-	661,588	40,040	412,189	6,820	44,106	1,164,743
Derivatives and other financial liabilities	-	-	2,304	143,657	374,552	1,269	-	231,930
Loans to customers and unlisted corporate bonds (*)	13,325,849	6,577,384	113,371,053	345,707,423	563,553,748	227,869,054	237,250,666	1,507,655,177
Investment securities (excluding unlisted corporate bonds) (*)	-	-	173,236	4,571,267	44,661,564	88,326,121	81,659,257	219,391,445
Long-term investments (*)	-	-	-	-	-	-	3,200,178	3,200,178
Fixed assets	-	-	-	90	316	5,011	10,126,420	10,131,837
Other assets (*)	554,340	-	19,400,101	2,607,341	7,117,312	1,938,380	2,657,133	34,274,607
Total Assets	13,881,246	6,577,384	379,995,718	376,364,996	657,750,238	323,306,934	335,157,009	2,093,033,525
Liabilities								
Deposits and borrowings from the Government, central banks and other credit institutions	-	-	268,094,543	33,907,150	28,008,163	4,235,100	239,783	334,484,739
Deposits from customers	-	-	304,285,553	275,098,123	667,611,709	167,168,106	60,518	1,414,224,009
Grants, trusted funds and borrowings that the Bank bears risk	-	-	9,458	1,131,425	683,605	5,945,842	6,651,948	14,422,278
Valuable papers issued	-	-	4,455,997	22,137,196	70,498,967	5,563,007	41,553,837	144,209,004
Other liabilities	-	-	2,402,154	7,729,239	29,117,434	814,173	624,628	40,687,628
Total liabilities	-	-	579,247,705	340,003,133	795,919,878	183,726,228	49,130,714	1,948,027,658
Liquidity Gap	13,881,246	6,577,384	(199,251,987)	36,361,863	(138,169,640)	139,580,706	286,026,295	145,005,867

(*) Excluding risk provision

24. CHANGE IN COMPARISON FIGURE DUE TO CHANGE IN ACCOUNTING POLICY

In compliance with Circular No. 27/2021/TT-NHNN dated 31 December 2021 of the Governor of the State Bank of Vietnam, effective from 1 April 2022, to ensure comparability, the Bank additionally presented some items as at 30 September 2022 and restated some items as at 31 December 2021 as follows:

	Reported on consolidated financial statements ended 31 December 2021	Additional presentation according to Circular 27	Reported on interim consolidated financial statements ended 30 September 2021
Off-Balance sheet items			
Uncollected interest from loans and fee receivables	No presentation	14,505,648	14,492,169
Doubtful debts written off	No presentation	171,287,820	181,024,403
<i>Principal of bad debts written off</i>	<i>No presentation</i>	<i>89,383,390</i>	<i>91,309,002</i>
<i>Interest of bad debts written off</i>	<i>No presentation</i>	<i>81,904,430</i>	<i>89,715,401</i>
Other assets and documents	No presentation	105,018,427	72,952,644

25. EXCHANGE RATES OF APPLICABLE FOREIGN CURRENCIES AGAINST VND AT THE END OF THE PERIOD

Currency	30/09/2022	31/12/2021
USD	23,870	22,820
EUR	23,525	25,986
GBP	26,561	30,874
CHF	24,433	25,004
JPY	166	199
SGD	16,650	16,912
CAD	17,415	17,939
AUD	15,486	16,583

Hanoi, 28 October 2022

Prepared by



Nguyen Thi Huong Giang

Chief Accountant



Ta Thi Hanh

Senior Executive Vice President



Nguyen Thien Hoang