

HSBC BANK (VIETNAM) LTD.
SUMMARISED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED 31 DECEMBER 2021

| BALANCE SHEET | | |
|--|-------------------------------|----------------------------------|
| | Ending balance VND million | Beginning balance VND million |
| ASSETS | | |
| Cash on hand | 406,388 | 446,116 |
| Balance with the State Bank of Vietnam | 17,255,957 | 18,254,202 |
| Placements with and loans to other credit institutions | 82,443,475 | 53,094,065 |
| Placements with other credit institutions | 81,318,475 | 52,571,065 |
| Loans to other credit institutions | 1,125,000 | 523,000 |
| Trading securities | - | 150,149 |
| Trading securities | - | 150,273 |
| Provision for risk of trading securities | - | (130) |
| Derivatives and other financial assets | 47,298 | 14,704 |
| Loans to customers | 54,196,467 | 47,428,378 |
| Loans to customers | 54,381,589 | 48,044,884 |
| Provision for credit losses on loans to customers | (785,122) | (616,506) |
| Investment securities | 8,281,131 | 8,694,854 |
| Available-for-sale investment securities | 8,285,647 | 8,697,211 |
| Provision for diminution in value of investment securities | (4,516) | (2,357) |
| Fixed assets | 119,980 | 83,853 |
| Tangible fixed assets | 107,338 | 77,452 |
| Historical costs | 232,373 | 207,363 |
| Accumulated depreciation | (125,035) | (129,911) |
| Intangible fixed assets | 12,642 | 6,401 |
| Initial costs | 21,380 | 12,229 |
| Accumulated amortization | (8,718) | (5,828) |
| Other assets | 950,608 | 878,467 |
| Other receivables | 286,628 | 163,260 |
| Accrued interest and fee receivables | 489,657 | 491,888 |
| Deferred tax assets | 20,691 | 29,264 |
| Other assets | 153,092 | 194,055 |
| TOTAL ASSETS | 163,700,764 | 129,044,788 |
| LIABILITIES AND EQUITY | | |
| Placements and borrowings from other credit institutions | 2,180,747 | 3,418,196 |
| Placements from other credit institutions | 1,972,245 | 3,094,633 |
| Borrowings from other credit institutions | 208,402 | 323,583 |
| Deposits from customers | 146,104,221 | 111,450,623 |
| Derivative financial instruments and other financial liabilities | - | - |
| Valuable papers issued | 596,605 | 594,461 |
| Other liabilities | 1,751,557 | 1,132,158 |
| Fees and interests payable | 37,976 | 35,565 |
| Other liabilities | 1,713,581 | 1,096,593 |
| TOTAL LIABILITIES | 150,633,130 | 116,595,428 |
| Equity | 13,067,634 | 12,449,360 |
| Capital | 7,528,000 | 7,528,000 |
| Charter capital | 7,528,000 | 7,528,000 |
| Reserves | 2,959,388 | 2,762,637 |
| Retained earnings | 2,580,246 | 2,158,723 |
| TOTAL LIABILITIES AND EQUITY | 163,700,764 | 129,044,788 |
| OFF BALANCE SHEET ITEMS | | |
| Foreign exchange transactions commitments | 52,756,092 | 62,013,139 |
| Foreign currency purchase commitments | 8,411,655 | 8,736,526 |
| Foreign currency sales commitments | 8,335,636 | 8,730,074 |
| Swap transactions commitments | 36,008,801 | 44,546,539 |
| Irrevocable loan commitments | 2,327,532 | 3,870,021 |
| Letter of credit commitments | 9,451,940 | 8,183,779 |
| Other guarantees | 8,946,037 | 11,216,040 |
| Other commitments | 19,951,848 | - |

| INCOME STATEMENT | | |
|--|-----------------------------|------------------------------|
| | Current year VND million | Previous year VND million |
| Interest and similar income | 2,645,013 | 3,254,833 |
| Interest and similar expenses | 139,647 | 301,594 |
| Net interest income | 2,505,366 | 2,953,239 |
| Income from service provisions | 1,062,781 | 970,237 |
| Expenses on service provisions | 280,015 | 283,867 |
| Net gain from service provisions | 782,766 | 686,370 |
| Net gain from dealing in foreign currencies | 1,058,804 | 690,317 |
| Net gain from trading of held-for-trading securities | 2,134 | 17,380 |
| Net loss from trading of investment securities | (2,159) | (2,357) |
| Other income | 128,836 | 119,419 |
| Other expenses | 15,896 | 12,195 |
| Net gain from other activities | 112,940 | 107,224 |
| Operating expenses | 2,534,112 | 2,442,015 |
| Net operating profit before provision for credit losses | 1,925,739 | 2,010,158 |
| Provision for credit losses | 278,967 | 24,692 |
| Total profit before tax | 1,646,772 | 1,985,466 |
| Current corporate income tax | 326,528 | 396,483 |
| Deferred corporate income tax | 8,573 | 6,965 |
| Corporate income tax | 335,101 | 403,348 |
| Profit after tax | 1,311,671 | 1,582,118 |


| CASH FLOWS STATEMENT (DIRECT METHOD) | | |
|--|-----------------------------|------------------------------|
| | Current year VND million | Previous year VND million |
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| Interest and similar income received | 2,687,999 | 3,361,201 |
| Interest and similar expenses paid | (135,082) | (346,672) |
| Income received from service provisions | 778,949 | 703,723 |
| Net amount received from trading of foreign currency and securities | 1,060,873 | 707,827 |
| Other income | 79,164 | 75,081 |
| Recovery of debts written off and provided for credit risks | 32,858 | 35,233 |
| Payments to employees and for administrative expenses | (2,519,226) | (2,410,882) |
| Corporate income tax paid during the year | (344,511) | (418,670) |
| NET CASH FLOWS FROM OPERATING ACTIVITIES BEFORE CHANGES IN CURRENT ASSETS AND WORKING CAPITAL | 1,641,014 | 1,706,841 |
| Changes in operating assets | | |
| (Increase) in placements with and loans to other credit institutions | (602,000) | (243,000) |
| (Decrease)/(Increase) in trading securities | 511,794 | (55,246) |
| (Increase) in derivatives and other financial assets | (32,594) | (14,704) |
| (Increase)/(Decrease) in loans to customers | (6,936,705) | 162,897 |
| (Decrease) in provision for credit losses | (110,351) | (67,396) |
| (Increase) in other operating assets | (114,312) | (61,339) |
| Changes in operating liabilities | | |
| (Decrease)/Increase in placements and borrowings from other credit institutions | (1,237,439) | 2,161,666 |
| Increase in deposits from customers | 34,653,598 | 1,541,916 |
| Increase in valuable papers issued | - | 593,568 |
| (Decrease) in derivatives and other financial liabilities | - | (172) |
| Increase in other operating liabilities | 18,479 | 26,681 |
| NET CASH FLOWS FROM OPERATING ACTIVITIES | 27,791,474 | 5,751,712 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| Purchase of fixed assets | (82,300) | (16,659) |
| Proceeds from the disposal of fixed assets | 263 | 61 |
| NET CASH FLOWS FROM INVESTING ACTIVITIES | (82,037) | (16,598) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| Profit paid | - | (2,010,857) |
| NET CASH FLOWS FROM FINANCING ACTIVITIES | - | (2,010,857) |
| NET CASH FLOWS DURING THE YEAR | 27,709,437 | 3,724,257 |
| CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR | 71,271,383 | 67,547,126 |
| ADJUSTMENT FOR EFFECTS OF CHANGE IN FOREIGN EXCHANGE FLUCTUATION | - | - |
| CASH AND CASH EQUIVALENTS AT END OF THE YEAR | 98,980,820 | 71,271,383 |


| STATEMENT OF CHANGES IN EQUITY | | | | | |
|---------------------------------------|--------------------------------|---|--------------------------------------|-------------------------------------|----------------------|
| | Charter capital VND million | Reserve to supplement charter capital VND million | Financial reserves VND million | Retained earnings VND million | Total VND million |
| Balance as of 01 January 2020 | 7,528,000 | 875,567 | 1,649,753 | 2,824,779 | 12,878,099 |
| Profit for the year | - | - | - | 1,582,118 | 1,582,118 |
| Appropriation for reserves | - | 79,106 | 158,211 | (237,317) | - |
| Profit distribution | - | - | - | (2,010,857) | (2,010,857) |
| Balance as of 31 December 2020 | 7,528,000 | 954,673 | 1,807,964 | 2,158,723 | 12,449,360 |
| Balance as of 01 January 2021 | 7,528,000 | 954,673 | 1,807,964 | 2,158,723 | 12,449,360 |
| Profit for the year | - | - | - | 1,311,671 | 1,311,671 |
| Appropriation for reserves | - | 65,584 | 131,167 | (198,751) | - |
| Profit distribution | - | - | - | (693,397) | (693,397) |
| Balance as of 31 December 2021 | 7,528,000 | 1,020,257 | 1,939,131 | 2,580,246 | 13,067,634 |


| EMPLOYEE'S REMUNERATION | | |
|---|-----------------------------|------------------------------|
| | Current year VND million | Previous year VND million |
| Number of employees (person) | 1,302 | 1,317 |
| Employee's remuneration | 746,745 | 727,979 |
| Total salary budget | 161,983 | 133,128 |
| Variable salaries | 63,523 | 67,275 |
| Other remuneration | 972,251 | 928,382 |
| Average salary per employee per year | 574 | 553 |
| Average income per employee per year | 747 | 705 |

| FINANCIAL RATIOS | | | |
|---|-------------------------------------|--------------------------------------|--|
| | Ending balance VND million, % | Beginning balance VND million, % | |
| Charter capital | 7,528,000 | 7,528,000 | |
| Total assets | 163,700,764 | 129,044,788 | |
| Overdue loan | 563,406 | 633,635 | |
| Non-performing loans | 339,004 | 348,713 | |
| Capital adequacy ratio | 15.45% | 15.91% | |
| Loans to deposit ratio | 34.04% | 37.93% | |
| Overdue guarantee balance/Total guarantee balance | 0.00% | 0.00% | |
| Overdue loan balance/Total loan balance | 0.41% | 0.65% | |
| Non-performing loan balance/Total loan balance | 0.25% | 0.36% | |
| The liquidity reserve ratio | 63.74% | 57.30% | |
| Solvency ratio – 30 days | | | |
| - In VND | Qualify | Qualify | |
| - In other currencies | Qualify | Qualify | |
| | Current year VND million | Previous year VND million | |
| Total deposits received | 4,238,696,717 | 3,104,447,583 | |
| Total loans disbursed | 160,405,188 | 130,700,959 | |
| Total loans collected | 153,445,725 | 130,955,684 | |

The Summarised Financial Statements were approved by the Bank's Legal Representative on 23 March 2022.


Ha Le Thao Vy
 Financial Controller


Nguyen Thi Thanh Truc
 Chief Financial Officer and
 Chief Accountant


Mark Redvers Evans
 Legal Representative

THE INDEPENDENT AUDITOR'S REPORT ON THE SUMMARISED FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED 31 DECEMBER 2021 TO THE MEMBERS' COUNCIL AND THE CHIEF EXECUTIVE OFFICER OF HSBC BANK (VIETNAM) LTD.

Gentlemen,

We have audited the accompanying Summarised Financial Statements which were prepared by the Chief Executive Officer of HSBC Bank (Vietnam) Ltd. (hereinafter referred to as "the Bank") on 23 March 2022 (from page 02 to page 08), including the Summarised Balance Sheet as of 31 December 2021, the Summarised Income Statement, the Summarised Cash Flow Statement for the fiscal year then ended, the Statement of Changes in Equity, Employee's Remuneration and Financial Ratios which are derived from the Financial Statements for the fiscal year then ended. We audited and expressed the unqualified opinion on the Financial Statements for the fiscal year then ended in our Independent Auditor's Report dated 23 March 2022. The Financial Statements and the Summarised Financial Statements derived therefrom do not reflect effects of events, if any, that occurred subsequent to the date of our aforementioned Auditor's Report.

The Summarised Financial Statements do not contain all the disclosures as required by the legal regulations related to preparation and presentation of Bank's Financial Statements. Therefore, reading the Summarised Financial Statements cannot substitute for reading the Financial Statements of the Bank.

Based on our audit, we found that the accompanying Summarised Financial Statements derived from the audited Financial Statements for the fiscal year ended 31 December 2021 of the Bank are consistent with the audited Financial Statements.



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