

SOUTHEAST ASIA JOINT STOCK COMMERCIAL BANK
198 Tran Quang Khai, Ly Thai To, Ha Noi

SeABank

**CAPITAL ADEQUACY
RATIO DISCLOSURE**

**JUNE 30
2026**



CAPITAL ADEQUACY RATIO DISCLOSURE

JUNE 30, 2026

Contents

04

**GENERAL
INTRODUCTION**

05

**CAPITAL ADEQUACY
RATIO**

PROCESS ON CAPITAL
ADEQUACY RATIO
CALCULATION
CAPITAL PLAN

06

EQUITY

COMPONENTS OF EQUITY
EQUITY INSTRUMENTS

10

**RISK
MANAGEMENT**

11

CREDIT RISK

CREDIT RISK
COUNTERPARTY CREDIT RISK
RWA RESULTS BY DEBT CLASS
RWA RESULTS BY INDUSTRIES
RWA RESULTS BY MITIGATION
METHOD
RWA RESULTS BY RATING

18

MARKET RISK

19

OPERATION RISK

LIST OF TABLES

Table 1: Capital adequacy ratio & Risk-weighted assets

Table 2: Separate equity

Table 3: Consolidated equity

Table 4: Credit risk-weighted assets by claims

Table 5: Counterparty credit risk-weighted assets by claims

Table 6: Credit risk-weighted assets by industries

Table 7: Credit risk-weighted assets by risk mitigation techniques – separate

Table 8: Credit risk-weighted assets by risk mitigation techniques– consolidated

Table 9: Credit risk-weighted assets by ratings

Table 10: Regulatory capital for market risk

Table 11: Regulatory capital for operational risk – separate

Table 12: Regulatory capital for operational risk – consolidated

GENERAL INTRO- DUCTION

On October 29 of 2019, SeABank received formal regulatory recognition from the State Bank of Vietnam (“SBV”) in achieving, among other things, a satisfactory capital adequacy ratio in line with Basel II, as specified in Decision 2263/QD-NHNN of the SBV. The application of Basel II into SeABank’s business activities delivered a positive impact, in particular:

- The capital adequacy ratio (CAR) now forms part of SeABank’s risk appetite and is a key basis for implementing business plans and risk management in the short and medium term.
- Business units are improving customer data (such as financial statements of SME customers, collateral security and credit limits, etc.).
- Improved awareness of business units in reviewing and granting credit limits to customers.
- Clear understanding by the Board of Management of capital adequacy

requirements for risk provisions, including regulatory capital (stipulated in Circular 41 for credit risk, market risk and operational risk) and other material risks (stipulated in Circular 13 for interest rate risk in banking book, concentration risk, etc.).

Scope of disclosure

This report is made as at June 30, 2026 and is made in accordance with Circular 41/2016/TT-NHNN dated December 30, 2016 stipulating capital adequacy ratio and information disclosure requirements for commercial banks and the foreign banks’ branches.

Scope of capital adequacy ratio calculation

Consolidated CAR is calculated on the basis of the consolidated financial statement of SeABank and its subsidiary, which is SeABank Asset Management Company Limited (SeABank AMC) - which is 100% owned by SeABank and it isn’t insurance business subsidiary. SeABank’s subsidiary is consolidated in accordance with accounting standards.

	<i>Unit: million VND</i>	
	Investment Amount	Proportion of ownership (%)
Capital contribution		
1. SeABank Assets Management One Member Company Limited	1,000,000	100%
TOTAL	1,000,000	

CAPITAL ADEQUACY RATIO

Process of calculating the capital adequacy ratio

SeABank has issued an internal regulation managing its capital adequacy ratio (“CAR”) in line with Circular 41, to provide the CAR principles, CAR model management, requirements of SeABank’s IT system and the responsibilities of stakeholders in CAR measurement, monitoring and reporting.

The CAR calculation system of SeABank is automated on the basis of data extracted from the core banking system. Data for CAR calculations is regularly reviewed and collated to ensure accuracy. The CAR report is also reviewed and approved before being issued.

CAR calculation process include 3 steps:

- Collecting and validating data;
- Automatic calculation in the system;

- Analysis reporting, providing results, and archiving.

Capital plan

SeABank’s capital plan is built in accordance with the capital requirements of Circular 41 to ensure capital adequacy so that it can:

- Meet requirements in terms of SeABank’s own risk appetite and commitments;
- Successfully comply with the minimum 8% CAR stipulated by legal regulations to ensure stable implementation of business strategies.
- Allow SeABank to operate with stability, even during periods of recession or adverse market volatility.
- Be aligned with the strategic and operational targets of SeABank, the expectation of shareholders and investors.

Unit: million VND

Table 1: Capital adequacy ratio & Risk-weighted assets

	SEPARATE	CONSOLIDATED
(1) Total of tier-1 capital (after deduction)	42,069,314	42,195,287
(2) Total of tier-2 capital (after deduction)	568,470	568,470
(3) Items deducted when calculating equity	3,300	-
Total equity	42,634,484	42,763,758
(4) Credit risk-weighted assets	313,889,414	312,773,565
(5) Counterparty credit risk-weighted assets	3,879,121	3,879,121
(6) Regulatory capital for operational risk	1,928,877	2,012,186
(7) Regulatory capital for market risk	1,034,536	1,034,536
Total risk-weighted assets	354,811,198	354,736,711
Minimum regulatory capital	28,384,896	28,378,937
Tier-1 capital adequacy ratio	11.86%	11.89%
Capital adequacy ratio (CAR)	12.02%	12.06%

EQUITY

Components of equity:

According to SBV regulations, SeABank's own capital is divided into two main types: Tier 1 capital and Tier 2 capital, based on the holding time and the ability to absorb capital losses.

Tier 1 capital – Equity consists primarily of equity and published reserves. There is no obligation to pay interest periodically or dividends to shareholders of this type of capital. Equity can be used immediately and without limitation, to offset any risks or losses.

Tier 2 capital – Additional capital sources include: (1) Other reserve funds deducted from

profit after tax, (2) 45% of the capital increase due to revaluation of long-term investment capital contributions, (3) 50% of capital increase due to revaluation of fixed assets, (4) 80% of general provisions under the SBV's regulations on classification of assets, deduction levels, methods of making provisions and using risk provisions, (5) Capital debt instruments issued by the Bank, and (6) Subordinated debt signed by the Issuing Bank that fully satisfies the conditions of the SBV.

Equity instruments: SeABank has not yet issued any equity instruments

Unit: million VND

Table 2: Separate equity

SEPARATE TIER 1 CAPITAL (A) = A1 – A2		42,069,314
Separate tier 1 capital components (A1) = $\sum 1 \div 7a$		42,069,314
1	Charter capital (allocated capital, contributed capital)	34,288,000
2	Reserve fund for charter capital supplement	1,393,231
3	Professional development investment fund	-
4	Financial provision fund	2,244,957
5	Capital construction investment, fixed assets procurement	-
6	Undistributed profits	4,139,959
7	Share premium	3,167
7a	Exchange rate difference	-
Amounts deducted from separate tier 1 capital (A2) = $\sum 8 \div 10$		-
8	Goodwill	-
9	Accumulated losses	-
10	Treasury shares	-
SEPARATE TIER 2 CAPITAL (B) = B1 - B2 - 20		568,470
Separate tier 2 capital components (B1) = $\sum 11 \div 16$		1,568,470
11	Other funds are deducted from profit after corporate income tax as prescribed by law (excluding bonus fund, welfare fund and executive bonuses)	-

Table 2: Separate equity

12	50% of the difference due to revaluation of assets, exchange rate differences as prescribed by law	-
13	45% of the increasing difference due to revaluation of contributed capitals for long-term investment according to the provisions of law	-
14	80% of the general provision in accordance with the State Bank's regulations on classification of assets, level of deduction, method of setting up risk provisions and use of risk provisions for credit institutions, foreign banks' branches	1,568,470
15	Debt instruments issued by banks or foreign bank branches	-
16	Subordinated debt of issuing bank (For details of satisfaction of conditions, refer to Section A.1, Appendix 1 of Circular 41)	-
Amounts deducted from separate tier 2 capital (B2) = (17) + (18) + (19)		1,000,000
17	The positive difference in value (Item 14) and 1.25% of "Total assets calculated according to credit risk" is prescribed in the Circular.	-
18	Positive difference in value between item (16) and 50% of A	-
19	Purchase and investment of subordinated debt issued by other credit institutions or foreign bank branches that fully meet the conditions for counting into secondary capital of such credit institutions or foreign bank branches (not including subordinated debt received as collateral, discount, rediscount of customers).	1,000,000
Additional deductions		-
20	The positive difference in value between (B1-B2) and A	-
Items deducted when calculating equity		3,300
21	Credit extensions for capital contribution, share purchase at other credit institutions	-
22	Capital contributions, share purchases at other credit institutions	-
23	Contribution of capital, purchase of shares in enterprises operating in the field of insurance, securities, remittances, foreign exchange, gold trading, factoring, credit card issuance, consumer credit, services intermediary payment, credit information	3,300
24	Capital contribution and share purchase of an enterprise or an investment fund after subtracting deductible amounts prescribed in (22) and section (23) in excess of 10% of the charter capital and the reserve fund for supplementing the capital bank charter	-
25	The total of capital contributions and shares purchases of enterprises and investment funds after subtracting amounts from (22) to section (24), exceeding the level of 40% of the charter capital and the charter capital supplement reserve fund of the bank	-

Table 2: Separate equity

SEPARATE EQUITY (C) = (A) + (B) - (21) - (22) - (23) - (24) - (25)	42,634,484
---	-------------------

*Unit: million VND***Table 3: Consolidated equity**

CONSOLIDATED TIER 1 CAPITAL (A) = A1 – A2		42,195,287
Consolidated tier 1 capital components (A1) = $\sum 1 \div 8$		42,195,287
1	Charter capital (allocated capital, contributed capital)	34,288,000
2	Reserve fund for charter capital supplement	1,417,024
3	Professional development investment fund	-
4	Financial provision fund	2,284,228
5	Capital construction investment, fixed assets procurement	-
6	Undistributed profits	4,204,501
7	Share premium	3,167
8	Differences in exchange rates derivative when consolidating financial statements	(1,632)
Amounts deducted from consolidated tier 1 capital (A2) = $\sum 9 \div 11$		-
9	Goodwill	-
10	Accumulated losses	-
11	Treasury shares	-
CONSOLIDATED TIER 2 CAPITAL (B) = B1 - B2 - 22		568,470
Consolidated tier 2 capital components (B1) = $\sum 12 \div 18$		1,568,470
12	Other funds are deducted from profit after corporate income tax as prescribed by law (excluding bonus fund, welfare fund and executive bonuses)	-
13	50% of the difference due to revaluation of assets, exchange rate differences as prescribed by law	-
14	45% of the increasing difference due to revaluation of contributed capitals for long-term investment according to the provisions of law	-
15	80% of the general provision in accordance with the State Bank's regulations on classification of assets, level of deduction, method of setting up risk provisions and use of risk provisions for credit institutions, foreign banks' branches	1,568,470
16	Debt instruments issued by banks or foreign bank branches	-
17	Subordinated debt of issuing bank (For details of satisfaction of conditions, refer to Section A.1, Appendix 1 of Circular 41)	-
18	Minority interest	-
Amounts deducted from consolidated tier 2 capital (B2) = (19) + (20) + (21)		1,000,000
19	The positive difference in value (Item 15) and 1.25% of "Total assets calculated according to credit risk" is prescribed in the Circular.	-
20	Positive difference in value between item (17) and 50% of A	-

Table 3: Consolidated equity

21	Purchase and investment of subordinated debt issued by other credit institutions or foreign bank branches that fully meet the conditions for counting into secondary capital of such credit institutions or foreign bank branches (not including subordinated debt received as collateral, discount, rediscount of customers).	1,000,000
	Additional deductions	-
22	The positive difference in value between (B1-B2) and A	-
	Items deducted when calculating equity	-
23	Credit extensions for capital contribution, share purchase at other credit institutions	-
24	Capital contributions, share purchases at other credit institutions	-
25	Contribution of capital, purchase of shares in enterprises operating in the field of insurance, securities, remittances, foreign exchange, gold trading, factoring, credit card issuance, consumer credit, services intermediary payment, credit information	-
26	Capital contribution and share purchase of an enterprise or an investment fund after subtracting deductible amounts prescribed in (22) and section (23) in excess of 10% of the charter capital and the reserve fund for supplementing the capital bank charter	-
27	The total of capital contributions and shares purchases of enterprises and investment funds after subtracting amounts from (22) to section (24), exceeding the level of 40% of the charter capital and the charter capital supplement reserve fund of the bank	-
CONSOLIDATED EQUITY (C)= (A) + (B) - (23) - (24) - (25) - (26) - (27)		42,763,758

RISK MANA- GEMENT

SeABank has built a system of risk management policies, regulations and procedures to manage risks that complies with Basel II, is consistent with the orientation of the SBV, which SeABank's specific requirements.

SeABank has a comprehensive suite of risk management policies covering risk appetite, risk management strategy and material risks. SeABank's risk management policies are approved by the Board of Directors, with participation of management levels based on consideration of (1) the interests of shareholders, owners, and capital contributors; (2) SeABank's capital and future available sources of capital, and (3) adaptability to ensure feasibility across economic cycles. SeABank's risk management policy is established for a minimum period of 3 years

but not more than 5 years and is reviewed at least annually unless a more immediate review is required by a change in the legal and business environment.

SeABank's risk appetite indicates the extent to which it accepts each of the material risks.

SeABank's risk appetite ensures its ability to integrate and align with the bank's strategy, including business strategies, risk strategies and financial plans in both the short and long term as well as evaluate business performance.

The list of material risks is determined and established by SeABank on a bank-wide basis, ensuring critical risks (including credit risk, operational risk, market risk, liquidity risk, account risks, central bank interest rates, concentration risks) and other risks arising from essential activities are fully identified, accurately measured, regularly monitored for timely prevention and minimize the losses to SeABank.



CREDIT RISK

Credit risk is the risk that customers (including credit institutions and foreign bank branches) fail to perform part or all of their debt payment obligations under a contract or agreement with SeABank. This includes obligations to make payments via trusts, deposits and debt issuances.

Counterparty credit risk is the risk that a counterparty fails to perform or is unable to perform part or all of the payment obligations prior to or upon the maturity of proprietary dealing transactions; repo and reverse repo transactions; derivative trading products to manage risks and foreign currency transactions. In particular, counterparties are customers (including credit institutions and foreign bank branches) having transactions with SeABank in repo and reverse repo; derivative hedging products and trading foreign currency /financial asset to serve the needs of customers and counterparties.

Credit risk management is implemented during the appraisal, approval and credit portfolio review to ensure compliance with the provisions of the law, the SBV and SeABank.

SeABank has developed a credit risk management strategy that includes at least the following:

- Target non-performing loans (NPL) ratio, target credit extension ratio by type of customer, industry and economic sector.
- Principles to determine the cost of credit risk offset in the method of calculating interest rates, pricing credit products according to the customer's credit risk level.
- Principles of application of credit risk mitigation measures (including the competence to approve credit risk mitigation measures).

Measuring and assessing credit risk plays an important role in managing credit risk in SeABank. SeABank has developed quantitative and qualitative tools to measure the risks existing in the credit portfolio, creating a basis for credit risk management, control and adjustment.

RWA according to each criterion as follows:

Table 4: Credit risk-weighted assets by each type of accounts receivable

			Unit: million VND		
Table 4: Credit risk-weighted assets by each type of accounts receivable			RW	RWA	
				Separate	Consolidated
1	Cash, gold, cash equivalents	0%	-	-	
2	Accounts receivable from Vietnam Government, SBV, State Treasury, PSEs	0%	-	-	
3	Accounts receivable from VAMC, DATC	20%	-	-	
4	Accounts receivable from international organizations	0%	-	-	

Table 4: Credit risk-weighted assets by each type of accounts receivable

Table 4: Credit risk-weighted assets by each type of accounts receivable		RW	RWA	
			Separate	Consolidated
5	Accounts receivable from governments, central banks of countries	0%-150%	-	
6	Accounts receivable from PSEs, local governments	0%-150%	-	
7	Accounts receivable from foreign financial institutions	20%-150%	-	
8	Accounts receivable from foreign bank branches operating in Vietnam	20%-150%	241,438	241,438
9	Accounts receivable from domestic credit institutions	20%-150%	25,746,067	25,746,067
10	Purchases, subordinated debt investments, debt securities of other banks	20%-150%		
11	Accounts receivable from businesses not credit institutions	50%-250%	241,370,714	241,370,714
12	Lending secured by real estate	30%-160%	5,965,146	5,965,146
13	Mortgage loan	25%-200%	-	-
14	Retail credit extension	75%-100%	-	-
15	Agricultural and rural lending	50%	26,952,560	26,952,560
16	Bad debt	50%-150%	4,820,776	4,820,776
17	Receivables from selling bad debts	200%	-	
18	Equity instruments, stocks of the enterprise, securities investment and lending business	150%	-	
19	Financial leasing	160%	-	
20	Acquisition of receivables with recourse of finance companies and finance leasing companies	0%-250%	-	
21	Other assets on the balance sheet	100%	8,792,713	7,676,864
TOTAL			313,889,414	312,773,565

Unit: million VND

Table 5: Counterparty credit risk-weighted assets by each type of accounts receivable

Table 5: Counterparty credit risk-weighted assets by each type of accounts receivable			RWA	
			Separate	Consolidated
		RW		
1	Cash, gold, cash equivalents	0%	-	-
2	Accounts receivable from Vietnam Government, SBV, State Treasury, PSEs	0%	-	-
3	Accounts receivable from VAMC, DATC	20%	-	-
4	Accounts receivable from international organizations	0%	-	-
5	Accounts receivable from governments, central banks of countries	0%-150%	-	-
6	Accounts receivable from PSEs, local governments	0%-150%	-	-

Table 5: Counterparty credit risk-weighted assets by each type of accounts receivable

Table 5: Counterparty credit risk-weighted assets by each type of accounts receivable			RWA	
		RW	Separate	Consolidated
7	Accounts receivable from foreign financial institutions	20%-150%	-	-
8	Accounts receivable from foreign bank branches operating in Vietnam	20%-150%	-	-
9	Accounts receivable from domestic credit institutions	20%-150%	3,703,685	3,703,685
10	Purchases, subordinated debt investments, debt securities of other banks	20%-150%	-	-
11	Accounts receivable from businesses not credit institutions	50%-250%	175,436	175,436
12	Lending secured by real estate	30%-160%	-	-
13	Mortgage loan	25%-200%	-	-
14	Retail credit extension	75%-100%	-	-
15	Agricultural and rural lending	50%	-	-
16	Bad debt	50%-150%	-	-
17	Receivables from selling bad debts	200%	-	-
18	Equity instruments, stocks of the enterprise, securities investment and lending business	150%	-	-
19	Financial leasing	160%	-	-
20	Acquisition of receivables with recourse of finance companies and finance leasing companies	0%-250%	-	-
21	Other assets on the balance sheet	100%	-	-
TOTAL			3,879,121	3,879,121

Table 6: Credit risk-weighted assets by industries

		Unit: million VND	
		RWA	
		Separate	Consolidated
1	Agriculture, Forestry and fishery	632,744	632,744
2	Extractive	664,813	664,813
3	Manufacturing and processing industry	12,400,108	12,400,108
4	Producing and distributing electricity, gas, hot water, steam and air-conditioning	4,850,370	4,850,370
5	Water supply, activities of management and treatment of waste and wastewater.	10,381	10,381
6	Construction	16,801,302	16,801,302

Table 6: Credit risk-weighted assets by industries

		RWA	
		Separate	Consolidated
7	Wholesale and retail; Repair of automobiles, motors, motorbikes and other motor vehicles	71,831,478	71,831,478
8	Warehouse transportation	2,875,667	2,875,667
9	Accommodation and catering services	14,158,485	14,158,485
10	Information and communication	4,551,027	4,551,027
11	Financial activities, banking and insurance	77,204,035	77,204,035
12	Real estate business	21,743,614	21,743,614
13	Professional activities, science and technology	3,554,765	3,554,765
14	Administrative activities and support services	1,066,186	1,066,186
15	Activities of the Communist Party, socio-political organizations, state agencies, national security; compulsory social security	4,089	4,089
16	Education and training	11,615	11,615
17	Health and social assistance activities	255,819	255,819
18	Arts, Entertainment and Recreation	35,540,834	35,540,834
19	Other service activities	5,535,294	5,535,294
20	Employment activities in households, production of material products and services for household self-consumption	35,107,422	35,107,422
21	Activities of international organizations and agencies	336	336
22	Others	8,968,150	7,852,300
TOTAL		317,768,535	316,652,686

Unit: million VND

**Table 7:
Credit risk-
weighted
assets under
the risk
mitigation
method -
separate**

	The value before deduction	Mitigation value				The value after deduction	RWA
		Netting	By collateral	3rd party guarantee	Credit derivatives		
Accounts receivables from Vietnamese	24,053,289	-	-	-	-	24,053,289	-

Table 7: Credit risk-weighted assets under the risk mitigation method - separate	The value before deduction	Mitigation value				The value after deduction	RWA
		<i>Netting</i>	<i>By collateral</i>	<i>3rd party guarantee</i>	<i>Credit derivatives</i>		
government and SBV							
Accounts receivable from financial institutions	138,926,642	64,779,744	3,424,731	-	-	70,722,167	29,691,191
Accounts receivable from businesses	229,232,124	-	5,419,267	-	-	223,812,857	241,546,150
Accounts receivable secured by real estate	11,297,598	-	31,160	-	-	11,266,438	5,965,146
Accounts receivable are mortgage loans	-	-	-	-	-	-	-
Agricultural and rural lending	-	-	-	-	-	-	-
Accounts receivable from the retail	37,880,239	-	3,904,559	-	-	33,975,680	26,952,560
Bad debt	3,926,132	-	44,144	-	-	3,881,988	4,820,776
Others	15,241,754	-	-	-	-	15,241,754	8,792,713
TOTAL	460,557,778	64,779,744	12,823,861	-	-	382,954,173	317,768,535

Unit: million VND

Table 8: Credit risk-weighted assets under the risk mitigation method - consolidated	The value before deduction	Mitigation value				The value after deduction	RWA
		<i>Netting</i>	<i>By collateral</i>	<i>3rd party guarantee</i>	<i>Credit derivatives</i>		
Accounts receivables	24,053,289	-	-	-	-	24,053,289	-

**Table 8:
Credit risk-
weighted
assets under
the risk
mitigation
method -
consolidated**

	The value before deduction	Mitigation value				The value after deduction	RWA
		<i>Netting</i>	<i>By collateral</i>	<i>3rd party guarantee</i>	<i>Credit derivatives</i>		
from Vietnamese government and SBV							
Accounts receivable from financial institutions	138,926,642	64,779,744	3,424,731	-	-	70,722,167	29,691,191
Accounts receivable from businesses	229,232,124	-	5,419,267	-	-	223,812,857	241,546,150
Accounts receivable secured by real estate	11,297,598	-	31,160	-	-	11,266,438	5,965,146
Accounts receivable are mortgage loans	-	-	-	-	-	-	-
Agricultural and rural lending							
Accounts receivable from the retail	37,880,239	-	3,904,559	-	-	33,975,680	26,952,560
Bad debt	3,926,132	-	44,144	-	-	3,881,988	4,820,776
Others	14,625,905	-	-	-	-	14,625,905	7,676,864
TOTAL	459,941,929	64,779,744	12,823,861	-	-	382,338,324	316,652,686

RWA results by rating

SeABank uses the credit ratings of the three independent credit rating agencies: - Fitch Ratings (FITCH), - Moody's Investor Service (MOODY'S), - Standard and Poor's (S&P), base on some following categories:

- Using the effective agreement of the credit rating results and updated at the time of reporting.

- In case the customer/partner has two or more credit ratings of credit rating agencies, the credit rating corresponding to the highest credit risk of customers/partners will be used.

Unit: million VND

Table 9: Credit risk-weighted assets by rating

Table 9: Credit risk-weighted assets by rating			RWA		
			Rating	RW	Separate
Domestic financial institutions	The claim has original maturity of less than 3 months	AAA to AA-	10%	-	-
		A+ to BBB-	20%	124,624	124,624
		BB+ to BB-	40%	14,583,314	14,583,314
		B+ to B-	50%	8,052,313	8,052,313
		Under B- and no ratings	70%	3,280,723	3,280,723
	The claim has original term of 3 months or more	AAA to AA-	20%	-	-
		A+ to BBB-	50%	14,529	14,529
		BB+ to BB-	80%	2,409,881	2,409,881
		B+ to B-	100%	692,156	692,156
		Under B- and no ratings	150%	292,077	292,077
Foreign financial institutions	AAA to AA-	20%	99,241	99,241	
	A to BBB-	50%	142,333	142,333	
	BB to B-	100%	-	-	
	Under B- and no ratings	150%	-	-	
TOTAL				29,691,191	29,691,191

MARKET RISK

Market risk policy

SeABank's market risk is primarily managed across two business divisions:

(1) Treasury, and (2) Investments. Market risks arising from other business units must be transferred to the market risk department. In addition:

- Financial markets products and instruments ("FMPI") must have accounting and recording regulations in either the banking book or trading book to ensure that market risks arising from the trading of FMPI is appropriate and fully recorded on a daily basis.

- Market risk in FMPI in the trading book is managed in stages. This includes: (1) identification, (2) measurement and risk mitigation, and (3) monitoring and supervision. Furthermore, proprietary trading of FMPI is managed in accordance with the three lines of defense (3LOD) methodology.

- Market risk appetite is developed and re-evaluated annually in parallel with the reassessment of market risk limits for each proprietary trading portfolio.

- The proprietary trading portfolio must be quantitatively measured and formulated stress test scenarios must clearly show the level of market risk that SeABank holds.

- An early warning system has been developed to identify and mitigate market risks.

Proprietary trading strategies & Portfolios

SeABank manages proprietary trading portfolios which include: (1) foreign exchange, (2) government bonds, and (3) corporate bonds. In particular, it is noted that:

- SeABank manages market risk in foreign exchange by limiting trading in G7 currencies (primarily USD) via setting of appropriate risk limits.

- SeABank also manages interest rate risk by limiting trading to short to medium-term, highly liquid government and corporate bond exposures.

Unit: million VND

Table 10: Regulatory capital for Market Risk

	Separate		Consolidated	
	RWA	Capital required	RWA	Capital required
Interest rate risk	9,874,161	789,933	9,874,161	789,933
Stock price risk	-	-	-	-
Commodity price risk	-	-	-	-
Foreign exchange risk	3,057,534	244,603	3,057,534	244,603
Option price risk	-	-	-	-
TOTAL	12,931,695	1,034,536	12,931,695	1,034,536

OPERATIONAL RISK

Operational risk is the risk due to incomplete or erroneous internal processes, human factors, system failures, faults or external factors that cause financial losses. The main negative impacts were non-financial impacts on SeABank (including legal risks). Operational risks do not include reputational and strategic risks.

SeABank has developed an operational risk management policy that covers the following:

- Principles of operational risk management.
- Principles for outsourcing, insurances and application of technologies.
- Business continuity planning.

SeABank fully identifies operational risks in all products, business activities, business

processes, information technology systems and management systems.

SeABank strictly manages outsourcing activities to ensure the use of outsourced services does not cause dependence, does not compromise the security of SeABank's database and customer information and is more effective than self-implementation. The business continuity plan has been developed to meet SBV requirements and covers a number of scenarios such as loss of important documents and databases; malfunctioning of information technology systems and force majeure events, such as natural disasters and fires. The business continuity plan focuses on those key activities which may significantly impact the bank's capabilities if compromised, such as payment systems, communications and treasury.

Unit: million VND

Table 11: Regulatory capital for operational risk – separate

	IC	SC	FC	BI Total	Capital required
Quarter 3 – 2023	1,566,259	539,919	451,740	2,557,918	383,688
Quarter 4 – 2023	2,046,145	785,718	489,473	3,321,336	498,200
Quarter 1 – 2024	1,783,980	336,533	553,975	2,674,487	401,173
Quarter 2 – 2024	2,530,657	362,658	441,213	3,334,529	500,179
Quarter 3 – 2024	2,192,439	465,875	209,243	2,867,557	430,134
Quarter 4 – 2024	2,350,722	1,329,187	316,923	3,996,831	599,525
Quarter 1 - 2025	2,430,246	490,894	551,132	3,472,273	520,841
Quarter 2 – 2025	2,452,676	392,561	148,084	2,993,321	448,998
Quarter 3 - 2025	2,326,426	401,407	408,034	3,135,867	470,380
Quarter 4 – 2025	2,441,574	506,186	303,354	3,251,113	487,667
Quarter 1 – 2026	2,402,443	421,246	907,369	3,731,058	559,659
Quarter 2 – 2026	2,237,500	562,791	440,967	3,241,258	486,189
Total required capital for operational risk in the last 3 years					5,786,632
Required capital for operational risk in the current year					1,928,877

Table 12: Regulatory capital for operational risk – consolidated

	IC	SC	FC	BI Total	Capital required
Quarter 3 – 2023	1,638,020	553,600	451,740	2,643,361	396,504
Quarter 4 – 2023	2,215,184	666,203	553,346	3,434,734	515,210
Quarter 1 – 2024	2,001,719	351,270	553,975	2,906,964	436,045
Quarter 2 – 2024	2,741,576	384,447	441,213	3,567,237	535,086
Quarter 3 – 2024	2,797,217	494,430	209,243	3,500,890	525,134
Quarter 4 – 2024	2,425,898	1,352,252	316,923	4,095,073	614,261
Quarter 1 - 2025	2,450,481	519,387	551,132	3,521,001	528,150
Quarter 2 – 2025	2,464,389	402,583	148,084	3,015,056	452,258
Quarter 3 - 2025	2,337,098	429,689	408,034	3,174,822	476,223
Quarter 4 – 2025	2,451,865	613,202	303,354	3,368,422	505,263
Quarter 1 – 2026	2,413,461	431,163	907,369	3,751,993	562,799
Quarter 2 – 2026	2,249,952	573,258	440,967	3,264,177	489,627
Total required capital for operational risk in the last 3 years					6,036,559
Required capital for operational risk in the current year					2,012,186