

Southeast Asia Commercial Joint Stock Bank

Separate Financial Statements
for the year ended 31 December 2024



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Southeast Asia Commercial Joint Stock Bank
Statement of the Board of Management

The Board of Management of Southeast Asia Commercial Joint Stock Bank (“the Bank”) presents this statement and the accompanying separate financial statements of the Bank for the year ended 31 December 2024.

The Board of Management is responsible for the preparation and fair presentation of the accompanying separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting. In the opinion of the Board of Management:

- (a) the separate financial statements set out on pages 4 to 68 give a true and fair view of the unconsolidated financial position of the Bank as at 31 December 2024, and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons for the Board of Management to believe that the Bank will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorised the accompanying separate financial statements for issue.

On behalf of the Board of Management,



Nguyen Thi Thu Huong
Deputy General Director

Hanoi, 10 March 2025



KPMG Limited
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E6 Pham Hung Street, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Southeast Asia Commercial Joint Stock Bank

We have audited the accompanying separate financial statements of Southeast Asia Commercial Joint Stock Bank ("the Bank"), which comprise the separate statement of financial position as at 31 December 2024, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 10 March 2025, as set out on pages 4 to 68.

Management's Responsibility

The Bank's Board of Management is responsible for the preparation and fair presentation of these separate financial statements in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting, and for such internal control as the Bank's Board of Management determines is necessary to enable the preparation of the separate financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these separate financial statements based on our audit. We conducted our audit in accordance with Vietnamese Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the separate financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Bank's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Bank's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Bank's Board of Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of Southeast Asia Commercial Joint Stock Bank as at 31 December 2024 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 24-02-00184-25-1



Dam Xuan Lam
Practicing Auditor Registration
Certificate No. 0861-2023-007-1
Deputy General Director

Le Nhat Vuong
Practicing Auditor Registration
Certificate No. 3849-2022-007-1

Hanoi, 10 March 2025

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

No.	Items	Note	31/12/2024 VND million	31/12/2023 VND million
A	ASSETS			
I	Cash and gold on hand	VI.1	963,692	851,268
II	Balances with the State Bank of Vietnam (“SBV”)	VI.2	11,299,610	2,784,593
III	Balances with and loans to other credit institutions (“CIs”)	VI.3	73,373,963	52,998,574
1	Balances with other CIs		71,049,703	50,108,024
2	Loans to other CIs		2,324,260	2,890,550
IV	Held-for-trading securities	VI.4	8,866,716	8,353,236
1	Held-for-trading securities		8,868,966	8,353,236
2	Allowance for held-for-trading securities		(2,250)	-
VI	Loans and advances to customers		202,251,998	173,289,042
1	Loans and advances to customers	VI.5	205,029,369	176,077,943
2	Allowance for loans and advances to customers	VI.6	(2,777,371)	(2,788,901)
VIII	Investment securities		19,473,840	14,204,712
1	Available-for-sale securities	VI.7a	17,473,840	13,953,491
2	Held-to-maturity securities	VI.7b	2,319,364	319,364
3	Allowance for investment securities	VI.7c	(319,364)	(68,143)
IX	Long-term investments	VI.8	2,818,707	2,318,530
1	Investment in subsidiaries		2,760,000	2,260,000
4	Other long-term investments		59,070	59,070
5	Allowance for diminution in value of long-term investments		(363)	(540)
X	Fixed assets		1,364,327	1,265,655
1	Tangible fixed assets	VI.9	487,195	549,636
	- Cost		1,087,471	1,078,032
	- Accumulated depreciation		(600,276)	(528,396)
3	Intangible fixed assets	VI.10	877,132	716,019
	- Cost		1,157,909	950,649
	- Accumulated amortisation		(280,777)	(234,630)
XII	Other assets	VI.11	6,324,893	12,109,420
1	Receivables		1,865,788	6,802,965
2	Accrued interest and fee receivables		2,531,737	3,277,171
4	Other assets		1,954,317	2,056,959
5	Allowance for other on balance sheet assets		(26,949)	(27,675)
	TOTAL ASSETS		326,737,746	268,175,030

The accompanying notes are an integral part of these separate financial statements

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2024

No.	Items	Note	31/12/2024 VND million	31/12/2023 VND million
B	LIABILITIES AND OWNERS' EQUITY			
I	Amounts due to the Government and the SBV		2,064,483	2,538,637
1	Deposits and borrowings from the Government and the SBV	VI.12	2,064,483	2,538,637
II	Deposits and borrowings from other CIs	VI.13	85,907,868	68,352,556
1	Deposits from other CIs		56,499,363	48,701,317
2	Borrowings from other CIs		29,408,505	19,651,239
III	Deposits from customers	VI.14	168,846,121	145,225,061
IV	Derivative and other financial liabilities	VI.15	303,574	107,131
VI	Valuable papers issued	VI.16	30,450,200	16,846,100
VII	Other liabilities	VI.17	4,209,202	4,766,757
1	Accrued interest and fee payables		2,934,618	3,769,648
3	Other liabilities		1,274,584	997,109
	TOTAL LIABILITIES		291,781,448	237,836,242
VIII	Owners' equity	VI.18	34,956,298	30,338,788
1	Capital		28,353,167	25,063,167
a	- Charter capital		28,350,000	24,957,000
c	- Share premium		3,167	106,167
2	Reserves		2,612,881	1,667,379
5	Retained earnings		3,990,250	3,608,242
	TOTAL OWNERS' EQUITY		34,956,298	30,338,788
	TOTAL LIABILITIES AND OWNERS' EQUITY		326,737,746	268,175,030

The accompanying notes are an integral part of these separate financial statements

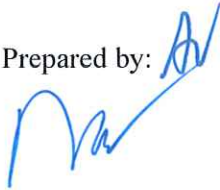
SEPARATE STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2024

OFF-BALANCE SHEET ITEMS

No.	Items	Note	31/12/2024 VND million	31/12/2023 VND million
2	Foreign exchange commitments			
	<i>Foreign currency purchase commitments</i>	VI.34	355,614	8,707
	<i>Foreign currency sale commitments</i>	VI.34	863,634	8,693
	<i>Purchase commitments - currency swaps</i>	VI.34	50,051,658	38,549,140
	<i>Sale commitments - currency swaps</i>	VI.34	37,394,340	25,783,528
4	Letters of credit	VI.34	2,228,158	6,602,763
5	Other guarantees (warranty guarantee, performance guarantee, advance guarantee)	VI.34	8,516,675	5,212,031
6	Interest rate swaps	VI.34	8,150,314	7,974,600
7	Uncollected loan interest and fees	VI.34	2,612,514	2,232,223
8	Written-off bad debts	VI.34	5,544,058	4,950,956
9	Other items and documents	VI.34	1,362,800	1,489,332

Prepared by:



Nghiem Thi Thu Nga

10 March 2025

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

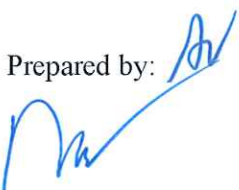
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SEPARATE STATEMENT OF INCOME

For the year ended 31 December 2024

No.	Items	Note	2024	2023
			VND million	VND million
1	Interest and similar income	VI.19	19,629,730	19,377,092
2	Interest and similar expenses	VI.20	(10,771,932)	(12,675,373)
I.	Net interest income		8,857,798	6,701,719
3	Fee and commission income	VI.21	1,297,718	1,485,514
4	Fee and commission expenses	VI.21	(221,072)	(205,931)
II.	Net fee and commission income	VI.21	1,076,646	1,279,583
III.	Net gain from trading of foreign currencies	VI.22	570,581	602,470
IV.	Net (loss)/gain from held-for-trading securities	VI.23	(172,141)	109,180
V.	Net gain from investment securities	VI.24	321,407	144,207
5	Other income	VI.25	785,895	330,383
6	Other expenses	VI.25	(189,568)	(140,905)
VI.	Net other income	VI.25	596,327	189,478
VII.	Gains from capital contribution, share purchase	VI.26	1,396	44,007
VIII.	Operating expenses	VI.27	(3,827,587)	(3,275,899)
IX.	Net operating profit before allowance expenses for credit losses		7,424,427	5,794,745
X.	Allowance expenses for credit losses		(1,514,956)	(1,167,611)
XI.	Profit before tax		5,909,471	4,627,134
7	Corporate income tax expenses – current	VI.28	(1,181,961)	(917,053)
XII.	Income tax expense	VI.28	(1,181,961)	(917,053)
XIII.	Net profit after tax		4,727,510	3,710,081

Prepared by:



Nghiem Thi Thu Nga

10 March 2025

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

The accompanying notes are an integral part of these separate financial statements

SEPARATE STATEMENT OF CASH FLOWS

For the year ended 31 December 2024

(Direct method)

No.	Items	2024 VND million	2023 VND million
CASH FLOWS FROM OPERATING ACTIVITIES			
01.	Interest and similar income received	20,375,164	18,603,591
02.	Interest and similar expenses paid	(11,606,962)	(12,549,765)
03.	Net fees and commission income received	1,076,646	1,279,583
04.	Net receipts from foreign currencies and securities trading	973,318	919,730
05.	Other income	17,462	107,827
06.	Proceeds from bad debts previously written off	578,442	81,623
07.	Payments for personnel and operating expenses	(3,689,936)	(3,150,798)
08.	Corporate income tax paid during the year	(936,234)	(760,130)
Cash flows from operating activities before changes in operating assets and liabilities		6,787,900	4,531,661
<i>Changes in operating assets</i>			
09.	Changes in balances with and loans to other credit institutions	566,290	715,395
10.	Changes in held-for-trading securities	(4,036,079)	(9,030,392)
11.	Changes in loans and advances to customers	(28,951,426)	(26,851,183)
12.	Utilisation of allowance for credit losses	(1,526,486)	(655,275)
13.	Changes in other operating assets	5,039,459	(2,020,390)
<i>Changes in operating liabilities</i>			
14.	Changes in amounts due to the Government and the SBV	(474,154)	(1,300,059)
15.	Changes in deposits and borrowings from other credit institutions	17,555,312	7,743,235
16.	Changes in derivatives and other financial liabilities	196,443	92,168
17.	Changes in deposits from customers	23,621,060	29,674,282
18.	Changes in valuable papers issued	13,604,100	(4,658,500)
19.	Changes in other operating liabilities	(78,252)	(41,176)
I.	Net cash flows from operating activities	32,304,167	(1,800,234)

The accompanying notes are an integral part of these separate financial statements

SEPARATE STATEMENT OF CASH FLOWS (continued)

For the year ended 31 December 2024

(Direct method)

No.	Items	2024 VND million	2023 VND million
CASH FLOWS FROM INVESTING ACTIVITIES			
01.	Purchase of fixed assets	(236,866)	(310,061)
02.	Receipts from sales, disposal of fixed assets	423	28
07.	Payments for investments in other entities	(500,000)	-
09.	Dividends and profit received from long-term investments	1,396	44,007
II.	Net cash flows from investing activities	(735,047)	(266,026)
CASH FLOWS FROM FINANCING ACTIVITIES			
01.	Proceeds from issuing shares	-	504,000
III.	Net cash flows from financing activities	-	504,000
IV.	Net cash flows during the year	31,569,120	(1,562,260)
V.	Cash and cash equivalents at the beginning of the year	53,743,885	55,306,145
VII.	Cash and cash equivalents at the end of the year (Note VI.29)	85,313,005	53,743,885

Prepared by:



Nghiem Thi Thu Nga

10 March 2025

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

For the year ended 31 December 2024

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

I. Corporate Information

Banking Operation License No.	0051/QĐ/NH-GP dated 25 March 1994																										
	The Banking Operation License was issued by the State Bank of Vietnam (“the SBV”) and is valid for 99 years from the date of the Banking Operation License. The Banking Operation License have been amended several times, the most recent of which is under Decision No. 2378/QĐ-NHNN dated 30 October 2024 of the State Bank of Vietnam.																										
Business Registration Certificate No.	0200253985 dated 14 January 2005																										
	Business Registration Certificate has been amended several times, the most recent of which is the 38 th amendment dated 7 June 2024 issued by Hanoi Department of Planning and Investment.																										
Board of Directors	<table><tr><td>Mr. Le Van Tan</td><td>Chairman</td></tr><tr><td>Ms. Nguyen Thi Nga</td><td>Standing Vice Chairwoman</td></tr><tr><td>Ms. Le Thu Thuy</td><td>Vice Chairwoman</td></tr><tr><td>Ms. Khuc Thi Quynh Lam</td><td>Vice Chairwoman</td></tr><tr><td>Mr. Fergus Macdonald Clark</td><td>Independent Member</td></tr><tr><td>Mr. Mathew Nevil Welch</td><td>Member</td></tr><tr><td>Ms. Tran Thi Thanh Thuy</td><td>Member (from 17/4/2024)</td></tr><tr><td>Ms. Ngo Thi Nhai</td><td>Member (until 16/4/2024)</td></tr></table>	Mr. Le Van Tan	Chairman	Ms. Nguyen Thi Nga	Standing Vice Chairwoman	Ms. Le Thu Thuy	Vice Chairwoman	Ms. Khuc Thi Quynh Lam	Vice Chairwoman	Mr. Fergus Macdonald Clark	Independent Member	Mr. Mathew Nevil Welch	Member	Ms. Tran Thi Thanh Thuy	Member (from 17/4/2024)	Ms. Ngo Thi Nhai	Member (until 16/4/2024)										
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Board of Management	<table><tr><td>Mr. Le Quoc Long</td><td>General Director</td></tr><tr><td>Ms. Nguyen Thi Thu Huong</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Tuan Cuong</td><td>Deputy General Director</td></tr><tr><td>Mr. Vu Dinh Khoan</td><td>Deputy General Director</td></tr><tr><td>Ms. Dang Thu Trang</td><td>Deputy General Director</td></tr><tr><td>Mr. Hoang Manh Phu</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Hong Quang</td><td>Deputy General Director (from 23/2/2024)</td></tr><tr><td>Mr. Nguyen Tuan Anh</td><td>Deputy General Director (from 24/2/2024)</td></tr><tr><td>Mr. Le Thanh Hai</td><td>Deputy General Director (from 11/1/2025)</td></tr><tr><td>Mr. Bui Quoc Hieu</td><td>Deputy General Director (from 11/1/2025)</td></tr><tr><td>Ms. Tran Thi Thanh Thuy</td><td>Deputy General Director (until 16/4/2024)</td></tr><tr><td>Mr. Nguyen Ngoc Quynh</td><td>Deputy General Director (until 22/2/2024)</td></tr><tr><td>Mr. Vo Long Nhi</td><td>Deputy General Director (until 23/2/2024)</td></tr></table>	Mr. Le Quoc Long	General Director	Ms. Nguyen Thi Thu Huong	Deputy General Director	Mr. Nguyen Tuan Cuong	Deputy General Director	Mr. Vu Dinh Khoan	Deputy General Director	Ms. Dang Thu Trang	Deputy General Director	Mr. Hoang Manh Phu	Deputy General Director	Mr. Nguyen Hong Quang	Deputy General Director (from 23/2/2024)	Mr. Nguyen Tuan Anh	Deputy General Director (from 24/2/2024)	Mr. Le Thanh Hai	Deputy General Director (from 11/1/2025)	Mr. Bui Quoc Hieu	Deputy General Director (from 11/1/2025)	Ms. Tran Thi Thanh Thuy	Deputy General Director (until 16/4/2024)	Mr. Nguyen Ngoc Quynh	Deputy General Director (until 22/2/2024)	Mr. Vo Long Nhi	Deputy General Director (until 23/2/2024)
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Mr. Vo Long Nhi	Deputy General Director (until 23/2/2024)																										
Legal Representative	Mr. Le Van Tan Chairman																										
Registered office	No. 198 Tran Quang Khai, Ly Thai To Ward, Hoan Kiem District Hanoi, Vietnam																										
Auditors	KPMG Limited Vietnam																										

II. Operating characteristics of the credit institution

1. Establishment and operation

Southeast Asia Commercial Joint Stock Bank (“the Bank”) is a commercial joint stock bank incorporated and registered in the Socialist Republic of Vietnam.

The principal activities of the Bank are mobilising and receiving short, medium and long-term deposits from organisations and individuals; lending to organisations and individuals up to the nature and ability of the Bank’s capital resources; conducting settlement, cash services and other banking services as approved by the State Bank of Vietnam; making investment in other entities, investing in bonds and trading foreign currencies in accordance with the law.

2. Charter capital

As at 31 December 2024, the Bank’s charter capital was VND28,350,000 million (31/12/2023: VND24,957,000 million).

3. Location and network

The Bank’s Head Office is located at No. 198 Tran Quang Khai Street, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2024, the Bank had one (01) Head Office, one (01) representative office, forty nine (49) branches, one hundred and thirty two (132) transaction offices nationwide (31/12/2023: one (01) Head Office, one (01) representative office, forty nine (49) branches, one hundred and thirty two (132) transaction offices nationwide).

At 31 December 2024 and 31 December 2023, the Bank has two (02) subsidiaries as follows:

Company name	Operation License No.	Business sector	% owned by the Bank
SeABank Asset Management Company Limited	0103099985 dated 16 December 2008 issued by Hanoi Planning and Investment Department and the most recent amendment was on 15 August 2023.	Debt and asset management	100%
Post and Telecommunication Finance Company Limited	96/GP-NHNN dated 28 September 2018 and amended under Decision No. 50/QD-NHNN dated 9 January 2023 of the Governor of the State Bank of Vietnam.	Consumer finance	100%

4. Total number of employees

As at 31 December 2024, the Bank had 5,285 employees (31/12/2023: 5,207 employees).

III. Basis of preparation

1. Statement of compliance

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting. These standards and statutory requirements applicable to these financial statements may differ in some material respects from International Financial Reporting Standards, generally accepted accounting principles and standards of other countries. Accordingly, the accompanying separate financial statements are not intended to present the Bank's unconsolidated financial position, unconsolidated results of operations and unconsolidated cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnamese accounting principles, procedures, and practices applicable to credit institutions.

The Bank has also prepared the consolidated financial statements of the Bank and its subsidiaries (collectively referred to as "SeABank") in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for Credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting. For a comprehensive understanding of SeABank's consolidated financial position, their consolidated results of operations and consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2024.

2. Basis of measurement

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

3. Annual accounting period

The annual accounting period of the Bank is from 1 January to 31 December.

4. Accounting and reporting currency

The Bank's accounting currency is Vietnam Dong ("VND"). These separate financial statements have been prepared and presented in Vietnam Dong ("VND"), rounded to the nearest million ("VND million").

IV. Changes in accounting polycies

Circular No. 31/2024/TT-NHNN and Decree No. 86/2024/ND-CP

On 30 June 2024, the SBV issued Circular No. 31/2024/TT-NHNN regulating the classification of assets in the operation of commercial banks, non-bank credit institutions and foreign bank branches (“Circular 31”). Circular 31 takes effect from 1 July 2024.

On 11 July 2024, the Government issued Decree No. 86/2024/ND-CP regulating the level and method for making allowances for credit losses, and the use of allowances to handle risks in the operation of credit institutions and foreign bank branches and in case the credit institution allocates interest receivables that must be divested (“Decree 86”). Decree 86 takes effect from 11 July 2024.

According to the provisions of Circular 31, Circular No. 11/2021/TT-NHNN issued by the SBV on 30 July 2021 regulating the classification of assets, the level and method for making allowances for credit losses, and the use of allowances to handle risks in the operation of credit institutions, foreign bank branches (“Circular 11”) shall cease to be effective from the effective date of Circular 31.

The Bank shall prospectively apply the provisions of Circular 31 and Decree 86 from the effective dates of Circular 31 and Decree 86. Significant changes in the Bank’s accounting policies and their effects on its separate financial statements are set out in Note V.7.

Circular No. 21/2024/TT-NHNN

On 28 June 2024, the SBV issued Circular No. 21/2024/TT-NHNN regulating credit letter operations and other business activities related to letters of credit (“Circular 21”). Circular 21 takes effect from 1 July 2024.

The Bank shall prospectively apply the provisions of Circular 21 from the effective date of Circular 21. The application of Circular 21 dose not have a material impact on the Bank’s separate financial statements. Significant changes in the Bank’s accounting policies and their effects on its separate financial statements, if any, are set out in Note V.25.

V. Summary of significant accounting polycies

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

1. Foreign currency

Foreign currency transactions

All transactions are recorded in their original currencies. Monetary items denominated in currencies other than VND are translated into VND at average exchange rate for spot selling and buying (“spot exchange rate”) (gold is converted at the average buying and selling rate) of the Bank at the end of the last working day of the annual accounting period if the difference between this rate and the weighted average buying and selling rate of the last working day of the annual accounting period is less than 1%. If the difference between the average exchange rate for spot selling and buying at the end of the last working day of the annual accounting period and the weighted average buying and selling rate of the last working day of the annual accounting period is greater than or equal to 1%, the Bank shall use the weighted average buying and selling rate of the last working day of the annual accounting period.

Non-monetary foreign currency assets and liabilities are translated into VND using the spot exchange rates effective at the dates of the transactions.

Income and expense in foreign currencies are translated into VND using the spot exchange rates effective at the dates of the transactions.

Foreign exchange differences arising from revaluation of monetary items denominated in foreign currencies as at the end of the interim accounting period are included in "Foreign exchange differences" under owners' equity. Foreign exchange differences arising from revaluation of monetary items denominated in foreign currencies as at the end of the annual accounting period are recognised in the separate statement of income.

2. Cash and cash equivalents

Cash and cash equivalents include cash on hand, gold on hand, balances with the SBV, Government treasury bills and other short-term valuable papers which are eligible for rediscount with the SBV, current accounts and term deposits at other credit institutions with original terms to maturity of not exceeding three months and securities with recovery or maturity period not exceeding three months from the acquisition date.

3. Balances with and loans to other credit institutions

Balances with other credit institutions, except for current deposits, are deposits at other credit institutions with original terms of not exceeding three months. Loans to other credit institutions are loans with original terms to maturity of not exceeding twelve months.

Placements with other CIs, except for current deposits and loans to other CIs are stated at the amount of outstanding principal less any specific allowance for credit risks. Current deposits with other CIs are stated at cost.

Debt classification of term deposits at and loans to other credit institutions and allowance thereof is made in accordance with Circular 11 (before 1 July 2024) and Circular 31 (from 1 July 2024). Accordingly, debt classification and allowance for term deposits at and loans to other credit institutions are made in accordance with the accounting policy as described in Note V.7.

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), the Bank is not required to make general allowance for term deposits at and loans to other credit institutions.

4. Held-for-trading securities and investment securities

a) Classification

Held-for-trading securities are securities which are acquired for trading or reselling purpose within one year in order to gain from price movements and not to take control of the investees.

Investment securities include available-for-sale investment securities and held-to-maturity investment securities. Available-for-sale investment securities are debt securities which may be held for an indefinite period and sold whenever it is evaluated beneficial. Held-to-maturity investment securities are securities acquired to earn interest income and the Bank has the intention and ability to hold until maturity. Securities classified as held-to-maturity are neither sold prior to maturity date or nor reclassified into held-for-trading and available-for-sale.

The Bank classifies investment securities at the date of acquisition as available-for-sale investment securities and held-to-maturity investment securities. According to Official Letter No. 2601/NHNN-TCKT dated 14 April 2009 of the SBV, the Bank is allowed to reclassify investment securities for a maximum of one time after initial recognition at the date of acquisition.

b) Recognition

The Bank recognises held-for-trading securities and investment securities on the date that the Bank becomes a party under purchase contracts for these securities (trade date accounting).

c) Measurement

Debt securities

For debt held-for-trading securities, the Bank initially records at cost less allowance for diminution in value (if any).

For debt investment securities, the Bank initially records at cost including transaction costs and other directly attributable costs. They are subsequently measured at amortised cost (affected by premium/discount amortisation) less allowance for investment securities, including allowance for diminution in value of securities and allowance for credit losses of investment securities which are unlisted corporate bonds. Premium and discounts arising from purchases of debt securities are amortised on a straight-line basis over the period from acquisition date to maturity date.

Allowance for diminution in value of investment securities is determined based on actual market prices. For listed debt securities issued by other local credit institutions and local economic entities, the actual bond price on the market is the latest trading price at the Stock Exchange within 10 days to the end of reporting period. If there is no transaction within 10 days to the balance sheet date, the Bank will not make allowance for diminution in value of these investments.

For debt securities of enterprises that are unlisted corporate bonds, the Bank provides allowance for credit risk for such securities in accordance with the accounting policy as described in Note V.7.

An allowance for diminution in value of securities mentioned above is reversed if their price or their recoverable value subsequently increases after the allowance was recognised. The allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

Interest income after acquisition from debt securities held-for-trading is recognised in the separate statement of income upon receipt (cash basis).

Interest income after acquisition of investment debt securities is recognised in the separate statement of income on an accrual basis, except for interest from unlisted corporate bonds classified from Group 2 to Group 5 as described in Note V.7 which are recorded upon receipt (cash basis). The accumulated interest income before acquisition date is recognised as a decrease in cost upon received.

d) De-recognition

The Bank derecognises held-for-trading securities and investment securities when the contractual rights to the cash flows from these securities expired or when the significant risks and rewards of ownership of these securities have been transferred.

5. Long-term investments

a) *Investments in subsidiaries*

Subsidiaries are entities controlled by the Bank. Control exists when the Bank has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. When assessing control, it is essential to take into account the exercisability of potential voting rights.

For the purpose of these separate financial statements, investments in subsidiaries are stated at cost less allowance for diminution in value of investments. Distributions from the accumulated profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate statement of income. An allowance is made for diminution in investment value if the investee has suffered a loss which may cause the Bank to lose its invested capital, unless there is evidence that the value of the investment has not been diminished. The allowance is reversed if the investee subsequently made a profit that offsets the previous loss for which the allowance had been made. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been recognized.

b) *Other long-term investments*

Other long-term investments are investments in the equity of other companies without having control or significant influence. These long-term investments are initially recognised at cost at the date of acquisition, and subsequently stated at cost less allowance for diminution in the value of investments.

c) *Allowance for diminution in value of long-term investments*

Allowance for diminution in value of other long-term investments is made when the invested economic entities suffer losses causing impairment to the investment by the Bank, except when there is evidence of non-impairment. Allowance for diminution in value is determined as the total actual contributed capital of parties to the investee less (-) the actual owner's equity multiplied (x) by the Bank's ownership percentage in the investee.

An allowance is reversed if the recoverable amounts are subsequently increased after the allowance was recognised. The allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

6. Loans and advances to customers

Loans and advances to customers are stated at the amount of the principal outstanding less allowance for loans and advances to customers.

Short-term loans are those with maturity term of up to 1 year from the loan disbursement date. Medium-term loans are those with maturity term of more than 1 year to 5 years from the loan disbursement date. Long-term loans are those with maturity term of more than 5 years from the loan disbursement date.

The Bank derecognises loans when the contractual rights to the cash flows from these loans expire or when substantially all the risks and rewards of ownership of these loans have been transferred.

Debt classification and allowance for loans and advances to customers are made in accordance with Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024) as described in Note V.7.

7. Debt classification and the rate and method of making allowance for credit losses

a) Debt classification

Before 1 July 2024

Debt classification for the following assets:

- Lending;
- Finance lease;
- Discounting, rediscounting of negotiable instruments and other securities;
- Factoring;
- Credit extension by issuance of credit cards;
- Payments on-behalf under off-balance sheet commitments;
- Purchase and entrustment to purchase unlisted corporate bonds;
- Entrustment for credit granting;
- Making deposits (except for checking deposits and deposits made at Vietnam Bank for Social Policies in accordance with the regulations of the SBV on the maintenance of balance of deposits at Vietnam Bank for Social Policies by state-owned credit institutions) at credit institutions and foreign bank branches as prescribed by law, and making deposits at overseas credit institutions;
- Purchase and sale debts;
- Purchase and sale of Government bonds on securities market;
- Purchase of promissory notes, bills, certificates of deposit issued by other credit institutions and foreign bank branches;

is stipulated in Article 10 of Circular 11.

From 1 July 2024

Debt classification for the following assets (collectively referred to as “debts”):

- Lending;
- Finance lease;
- Discounting, rediscounting of negotiable instruments and other securities;
- Factoring;
- Credit extension by issuance of credit cards;
- Payments on-behalf under off-balance sheet commitments;
- Purchase and entrustment to purchase unlisted corporate bonds;
- Entrustment for credit granting;
- Making deposits (except for checking deposits and deposits made at Vietnam Bank for Social Policies in accordance with the regulations of the SBV on the maintenance of balance of deposits at Vietnam Bank for Social Policies by state-owned credit institutions) at credit institutions and foreign bank branches as prescribed by law, and making deposits at overseas credit institutions;
- Purchase and sale debts;
- Purchase and sale of Government bonds on securities market;
- Purchase of promissory notes, bills, certificates of deposit issued by other credit institutions and foreign bank branches;
- Issuing deferred payment letters of credit with a clause agreeing that the beneficiary is paid immediately or before the due date of the letter of credit and reimbursing letters of credit as agreed with customers using the resources of the reimbursing bank from the date the reimbursing bank made payments to the beneficiary; negotiating payments for letters of credit;
- Outright purchases without recourse of documents;

is stipulated in Article 10 of Circular 31.

The Bank implements monthly debt classification using the quantitative method based on the principal balance on the last day of each month as follows:

<i>Debt group</i>		<i>Overdue status</i>
1	Current	(a) Current debts being assessed as fully and timely recoverable, both principal and interest; or (b) Debts being overdue for less than 10 days and being assessed as fully recoverable, both overdue principal and interest, and fully and timely recoverable, both remaining principal and interest.
2	Special mentioned	(a) Debts being overdue up to 90 days; or (b) Debts having terms of repayment rescheduled for the first time and are undue.
3	Sub-standard	(a) Debts being overdue between 91 days and 180 days; or (b) Debts having terms of repayment extended for the first time which is undue; or (c) Debts having interest exempt or reduced because customers are not able to pay the interest according to the credit contract; or (d) Debts falling in one of the following cases not yet collected within 30 days since the issuance date of recovery decision: <ul style="list-style-type: none"> • Debts having violated regulations specified in Points 1, 3, 4, 5, 6 of Article 134 of Laws on Credit Institutions; or • Debts having violated regulations specified in Points 1, 2, 3, 4 of Article 135 of Laws on Credit Institutions; or • Debts having violated regulations specified in Points 1, 2, 5 of Article 136 of Laws on Credit Institutions. (e) Debts in the collection process under inspection conclusions; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period of less than 30 days from the date of the collection decision.
4	Doubtful	(a) Debts being overdue between 181 days and 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue up to 90 days according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time which is undue; or (d) Debts specified in point (d) of Sub-standard debts not yet collected between 30 days and 60 days since the issuance date of recovery decision; or (e) Debts in the collection process under inspection conclusions but being overdue up to 60 days according to recovery term; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period between 30 to 60 days from the date of the collection decision.
5	Loss	(a) Debts being overdue more than 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue from 91 days and more according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time and being overdue according to the second reschedule terms of repayment; or (d) Debts having terms of repayment rescheduled for the third time or more, regardless of whether the debts are overdue or not; or (e) Debts specified in point (d) of Sub-standard debts not yet collected over 60 days since the issuance date of recovery decision; or (f) Debts in the collection process under inspection conclusions but being overdue of more than 60 days according to recovery term; or (g) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected for more than 60 days from the date of the collection decision; or (h) Debts to credit institutions being announced under special supervision status by the SBV, or to foreign bank branches of which capital and assets are blockaded.

The debt is classified into a higher risk debt group in the following cases:

- The indicators of profitability, solvency, debt-to-equity ratio, cash flow, and debt repayment capacity of the customers continuously decline through 3 consecutive assessment and debt classification periods;
- The customers do not provide complete, timely, and honest information as required by the Bank to assess the customers' debt repayment capacity;
- The debt has been classified into Group 2, Group 3, Group 4 according to the provisions of Point a, b, Clause 3, Article 10 of Circular 31 for 01 (one) year or more but does not meet the conditions for classification into a lower risk debt groups;
- The debt for which the act of granting credit is subject to administrative sanctions according to the provisions of law.

Off-balance sheet commitments are classified as follows:

- Group 1 for commitments which, according to the Bank's assessment, could be fully settled when they fall due;
- Group 2 or higher risk groups for commitments which, according to the Bank's assessment, could not be fully settled when they fall due;
- Group 3 or higher risk groups for commitments falling into one of the cases as described in Point c(iv), Clause 1, Article 10 of Circular 31.

Payments on behalf of customers arising from off-balance sheet commitments are classified based on the number of overdue days, starting from the date when the Bank committed obligations:

- Group 3 - Sub-standard debts: overdue below 30 days;
- Group 4 - Doubtful debts: overdue from 30 days to less than 90 days;
- Group 5 - Loss debts: overdue from 90 days and above.

Where a customer owes more than one debt to the Bank and has any of its debts transferred to a higher risk group, the Bank is obliged to classify the remaining debts of such customer into the group of debts with highest level of risk.

The Bank also collects debt classification results of the customers provided by the National Credit Information Center of Vietnam ("CIC") at the date of debt classification to adjust its own classification of debts. If a customer's debts are classified in a debt group that has a lower risk than the debt group provided by CIC, the Bank shall adjust its classification of the debts following the debt group provided by CIC.

Debt classification for debts having rescheduled repayment term, interest and fee reduced or exempted in order to support customers in difficulties

The Bank has adopted Circular No. 02/2023/TT-NHNN dated 23 April 2023 ("Circular 02") issued by the SBV on providing regulations on rescheduling of debt repayment term and keeping debt group unchanged in order to support customers in difficulties and Circular No. 06/2024/TT-NHNN dated 18 June 2024 ("Circular 06") issued by the SBV on amending and supplementing to some articles of Circular 02. Accordingly, for debts:

- granted before 24 April 2023 and from lending and financial leasing activities;
- having principal and/or interest payment obligation incurred during the period from 24 April 2023 to 31 December 2024;
- with the outstanding debt balance being undue or up to 10 (ten) days overdue from the due date according to the contract/agreement;

- the borrower is evaluated by the Bank as being unable to repay the principal and/or interest on schedule under the signed loan contract, agreement due to decrease in revenue or income compared to that in the plan for repayment of loan principals and/or interests under the contract or agreement; and evaluated by the Bank as being able to pay off the loan principal and/or interest on the rescheduled due date; and
- not in violation of laws;

the Bank is allowed to reschedule the repayment term of the debts and keep debt groups unchanged as those at the most recent date to the reschedule date.

b) Specific allowance for credit losses

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), the Bank makes specific allowance for credit losses based on the allowance rates corresponding to debt classification results and the principals balance less the discounted value of collateral assets.

Specific allowance for credit losses at the end of each month is determined based on the allowance rates corresponding to debt classification results and debt principals balance as at the end of the month less discounted value of collateral assets.

The rates of specific allowance for each debt group are as follows:

Debt group	Debt group name	Specific allowance rate
1	Current debt	0%
2	Special mentioned debt	5%
3	Sub-standard debt	20%
4	Doubtful debt	50%
5	Loss debt	100%

The maximum discounted value and rate of collateral assets are determined in accordance with Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), whereby each type of collateral assets has a certain maximum deduction rate for the purpose of calculating the risk allowance.

Maximum discount rates for collateral assets are determined as follows:

Types of collateral assets	Discount rates
(a) Deposits and certificates of deposits from customers in VND at the credit institutions or foreign banks' branches	100%
(b) Government bonds, gold bars, certificates of deposits from customers in foreign currencies at the credit institutions or foreign banks' branches	95%
(c) Municipal bonds, government-guaranteed bonds, transferable instruments, valuable papers issued by the credit institution; deposits, certificates of deposit, bills and notes issued by other credit institutions or foreign bank branches: <ul style="list-style-type: none"> ▪ With a remaining term of below 1 year ▪ With a remaining term of between 1 year to 5 years ▪ With a remaining term of over 5 years 	95% 85% 80%
(d) Securities issued by other credit institutions and listed on a stock exchange	70%
(e) Securities issued by enterprises (except for credit institutions) and listed on a stock exchange	65%
(f) Securities unlisted on the Stock Exchange, valuable papers, except items specified in point (c) above, issued by credit institutions which have shares listed on the Stock Exchange	50%
Securities unlisted on the Stock Exchange, valuable papers, except items specified in Point c above, issued by credit institutions which have shares listed on the Stock Exchange	30%

Types of collateral assets	Discount rates
(g) Unlisted securities and valuable papers issued by enterprises which have shares listed on a stock exchange.	30%
Unlisted securities and valuable papers issued by enterprises which have shares unlisted on a stock exchange	10%
(h) Real estates	50%
(i) Other collateral assets	30%

Additional specific allowance in accordance with Circular 02

The Bank also determines and makes additional specific allowance for the entire outstanding loans balance having rescheduled repayment term and debt group kept unchanged in accordance with Circular 02 and Circular 06 as follows:

Additional allowance	Deadline
At least 50% of the total specific allowance amount required to be made	By 31 December 2023
100% of the total specific allowance amount required to be made	By 31 December 2024

As at 31 December 2024, the Bank has made 100% of the aforementioned total additional specific allowance.

c) *General allowance for credit losses*

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), general allowance is made at the rate of 0.75% of total outstanding debts balance at the last day of each month for debts classified from Group 1 to Group 4, except for the followings:

- Balances with other credit institutions, foreign bank branches, in accordance with the law and balances with overseas credit institutions;
- Lending and reverse repo transactions with other credit institutions, foreign bank branches in Vietnam;
- Purchase of certificates of deposits, bonds domestically issued by other credit institutions, foreign bank branches;
- Purchase and sale of Government bonds on stock exchange market in accordance with the law on issuance, registration, deposit, listing and trading of Government debt instruments on stock market;
- Debts arising from activities specified in Clause 2, Article 3 of Decree 86 between credit institutions and foreign bank branches in Vietnam in accordance with the law.

d) *Write-off of bad debts*

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), debts are written off against the allowance when they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations and enterprises) or borrowers are deceased or missing (for borrowers being individuals). Debts written-off against allowance are recorded as off-balance sheet items for following up and collection. The amounts collected from the debts previously written-off are recognised in the separate statement of income upon receipt.

e) *Allowance for off-balance sheet commitments*

According to Circular 11 (before 1 July 2024) and Circular 31 (from 11 July 2024), the classification of off-balance sheet credit commitments is conducted solely for risk management, credit quality supervision of credit granting activities. No allowance is made for off-balance sheet credit commitments, except where the Bank has been required to make payment under the guarantee contract, in which case the payment on behalf is classified and allowance is made for in accordance with policy in Note V.7.

8. Derivative financial instruments

a) *Currency derivative contracts*

The Bank involves in derivative contracts including forward contracts, swaps contracts to facilitate customers to transfer, adjust or mitigate foreign exchange risks, other market risks, and for the business purposes of the Bank.

Currency forward contracts are commitments to buy/sell amount of foreign currency against VND or with another foreign currency at a future date at the forward rate determined on the transaction date. The forward contracts are recorded at nominal value at the date of transaction and are revalued at exchange rate at the reporting date and are stated at net value on the statements of financial position. Differences upon revaluation at the end of each month are recognised as "Foreign exchange differences" on the separate statements of financial position and are fully transferred to the separate statement of income at the end of the annual accounting period. Differences between the amounts in VND of the foreign currency amounts which are committed to buy/sell at forward rate and spot rate are recognised in the separate statement of income on a straight-line basis over the term of the contracts.

The currency swap contracts are transactions between two parties, committing to perform a transaction consisting of a purchase transaction and a sale transaction of the same amount of one foreign currency to another with the exchange rate of the two transactions determined at the time of the transaction and the settlement date of the two transactions are different. A currency swap may consist of two spot transactions, two forward transactions or one spot transaction and one forward transaction. Premiums/discounts arising from the difference of exchange rates between the two transactions will be recognized at the settlement date of the first transaction of the contract as an asset item if positive or a liability if negative in the separate statement of financial position. This difference is amortised to the separate statement of income on a straight-line basis over the term of the swap contracts.

b) *Interest rate derivative contracts*

The swap contracts are commitments to pay interest at a floating rate or a fixed rate charged on a nominal principal amount. The value of the notional principal amount in a single currency interest rate swap contract is not recognized in the off-balance sheet account under item "Interest rate swap contracts". The income and expenses arising on the notional principal amount are recognized on an accrual basis.

For cross currency interest rate swap contracts that involve the exchange of principals denominated in two different currencies at the start and the end date of the contracts, the contract value is recognised on the separate statement of financial position. Arising income and expenses due to interest rate effects are recognised on an accrual basis in the separate statement of income.

For cross currency interest rate swap contracts that involve the exchange of principals denominated in two different currencies at the end only, but not at the start of the contracts, the contract value is recognised on the separate financial statements as that of currency forward contracts. These contracts are also accounted for in the same manner with currency forward contracts. Income earned and expenses incurred due to interest rate effects are recognised on an accrual basis in the separate statement of income.

9. Tangible fixed assets

a) Cost

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

b) Depreciation

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

Buildings and structures	8 - 50 years
Machines and equipment	6 - 15 years
Means of transportation	6 - 10 years
Office equipment	5 - 8 years
Others	5 years

10. Intangible fixed assets

Land use rights

Indefinite land use rights are recorded at their original cost and are not subject to depreciation. The initial cost of indefinite land use rights includes the purchase price and any directly related attributable costs incurred in conjunction with securing the land use rights.

Software

The cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software costs are amortised on a straight-line basis ranging from 3 - 15 years.

11. Other assets

Other assets, except receivables from credit activities, are stated at cost less allowance for losses on other on-balance sheet assets.

For other assets that are not classified as credit risk assets and are overdue, allowance is made based on the overdue status of receivables or expected losses which may incur in case receivables are overdue or undue receivables are likely to become overdue. Allowance expense is recorded in operating expense during the year.

Allowance rates by overdue period are as follows:

Overdue period	Allowance rate
From more than six (06) months up to less than one (01) year	30%
From one (01) year up to less than two (02) years	50%
From two (02) years up to less than three (03) years	70%
Three (03) years or more	100%

Allowance for losses on other assets are made for undue debts is the expected losses determined by the Bank after considering to the recovery of these debts.

12. Provision

A provision, excluding those presented in Note V.3, V.4, V.5, V.6, V.7 and V.11, is recognised if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that obligation.

13. Deposits from customers

Deposits from customers are stated at cost.

14. Valuable papers issued

Valuable papers issued are stated at cost less allocated premiums and discounts. Costs of valuable papers issued include the proceeds from issuance minus directly attributable expenses from issuance.

15. Other payables

Other payables are stated at cost.

16. Charter capital

Ordinary shares

Ordinary shares are classified as equity and recognized at par value.

Share premium

Share premium records the difference (increase or decrease) between the issue price and the par value of the shares.

17. Reserves and funds

Before 1 July 2024

According to Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government of Vietnam promulgating financial regime applicable to credit institutions (“Decree 93”), the Bank is required to make the following reserves before distribution of profits:

	Annual appropriation rate	Maximum balance
Reserve to supplement charter capital	5% of profit after tax	100% of charter capital
Financial reserve	10% of profit after tax	Not stipulated

From 1 July 2024

According to the Law on Credit Institutions No. 32/2024/QH15 passed by the National Assembly on 18 January 2024 which becomes effective from 1 July 2024 (“the Law on Credit Institutions”), every year, the Bank is required to make the following reserves before distribution of profits:

	Annual appropriation rate	Maximum balance
Reserve to supplement charter capital	10% of profit after tax	100% of charter capital
Financial reserve	10% of profit after tax	Not stipulated

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

Other equity funds are appropriated from profit after tax. The appropriation of profit after tax to these funds is approved by the shareholders in the Annual General Meeting. Other funds are not required by law and are fully distributable.

18. Bonus and welfare fund

Bonus and welfare fund is appropriated from profit after tax in accordance with the resolution of the Annual General Meeting of Shareholders and are used primarily to make payments to the Bank’s employees.

19. Revenue and other income

a) Interest income

Interest income is recognized in the separate statement of income on an accrual basis, except for interest on debts classified in Group 2 to Group 5 as described in Note V.7 and debts kept unchanged in Group 1 as a result of adoption of Circular 02, Circular 06 as described in Note V.7 which is recognised upon receipt.

When debts are classified in Group 2 to Group 5 as described in Note V.7 or kept unchanged in Group 1 as a result of adoption of Circular 02, Circular 06 as described in Note V.7, interest receivable will be recorded as an off-balance sheet item. Interest on these debts is recognised in the separate statement of income upon receipt.

b) *Fee and commission income*

Fee and commission income are recognised in the separate statement of income upon completion of the services rendered.

c) *Income from investing activities*

Income from trading of securities is recognised in the separate statement of income upon receipt of the order matching notice from Vietnam Securities Depository and Clearing Corporation (listed securities) and completion of the assets transfer agreement (unlisted securities) and is determined based on the differences between selling price and weighted average cost of securities sold.

Dividend income in the form of cash is recognised in the separate statement of income when the Bank's right to receive dividend is established. Dividends received in the form of shares, bonus shares and rights to purchase shares given to existing shareholders, shares distributed from retained earnings are not recognised as an increase in investment and such dividend income is not recognised in the separate statement of income. When share dividends are received, the Bank only recognises an increase in the number of shares.

Dividends received which are attributable to the period before acquisition date are deducted against the carrying amount of the investment.

20. Interest expenses

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

21. Fee and commission expenses

Fee and commission expenses are recognised in the separate statement of income when these expenses are incurred.

22. Operating lease payments

Payments for operating leases are recognised in the separate statement of income on a straight-line basis over the term of the lease.

23. Taxation

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the separate statement of income except to the extent that it relates to items recognised directly to equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the annual accounting period, and any adjustment to tax payable in respect of previous years.

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

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

24. Related parties

Related parties of the Bank include:

- The subsidiaries of the Bank;
- Management or members of the Supervisory Board of the Bank;
- Individuals, organisations that hold at least 5% of charter capital or share capital with voting rights of the Bank;
- Wife, husband, biological parents, adoptive parents, stepfather, stepmother, parents-in-law, biological children, adopted children, stepchildren, siblings sharing both parents, half-siblings (same father, different mother or same mother, different father), brothers-in-law, sisters-in-law, sons-in-law, daughters-in-law (whether by blood or marriage); paternal and maternal grandparents; biological grandchildren; uncles, aunts (both paternal and maternal); and nephews and nieces of a manager, a member of the Supervisory Board, a capital-contributing member, or a shareholder owning at least 5% of the charter capital or voting shares of the Bank;
- Enterprises in which the individuals described above directly or indirectly hold an important part of voting rights, or over which such individuals may exercise significantly influence. This case includes businesses owned by the Bank's leaders or key shareholders and those businesses that have the same key management personnel with the Bank; and
- Representatives for the Bank's capital contribution and shares purchase.

25. Commitments and contingent liabilities

At any point of time, the Bank has outstanding credit commitments. These commitments are approved and unutilised loans and overdraft facilities. The Bank also provides financial guarantees and letters of credit to guarantee the performance of customers to third parties. Many of the contingent liabilities and commitments will expire without any advanced payment, in whole or in part. Therefore, these commitments and contingent liabilities do not represent firmly expected future cash flows.

Deferred payment letter of credit with a clause agreeing that the beneficiary is paid immediately or before the due date of the letter of credit

Before 1 July 2024, upon receipt of notification from the reimbursing bank that payment has been made to the beneficiary, the Bank shall record the amount payable to the reimbursing bank as borrowing from other credit institutions, and shall record the amount receivable from the customer in Other assets.

From 1 July 2024, when the reimbursing bank makes payment to the beneficiary, the Bank shall acknowledge the debt to the reimbursing bank, and the customer shall acknowledge the debt to the Bank for the amount the reimbursing bank has paid to the beneficiary as committed in the letter of credit. Upon receipt of notification from the reimbursing bank that payment has been made to the beneficiary, the Bank shall record the amount acknowledged as a debt to the reimbursing bank as a borrowing from other credit institutions, and at the same time, record the amount the customer has acknowledged as a debt as a loan to customers.

26. Financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to the Bank's separate financial position and results of operations and the nature and extent of risk arising from financial instruments, the Bank classifies its financial instruments as follows:

a) *Financial assets*

Financial assets at fair value through profit or loss

- A financial asset at fair value through profit or loss is a financial asset that meets either of the following conditions:
 - it is acquired principally for the purpose of selling it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Bank as financial assets at fair value through profit or loss.

Held-to-maturity investments

Held-to-maturity investments are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the Bank has the positive intention and ability to hold to maturity, other than:

- financial assets that, upon initial recognition, were categorised by the Bank as financial assets at fair value through profit or loss;
- financial assets already categorised by the Bank as assets that available for sale;
- financial assets that meet the definitions of loans and receivables.

Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market, other than those:

- that the Bank intends to sell immediately or in the near term, which are classified as held-for-trading, and those that the entity on initial recognition designates as financial assets at fair value through profit or loss;
- that the Bank, upon initial recognition, designates as available-for-sale; or
- for which the Bank may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as assets available-for-sale.

Available-for-sale financial assets

Available-for-sale financial assets are non-derivative financial assets that are designated as available for sale or are not classified as:

- financial assets at fair value through profit or loss;
- held-to-maturity investments; or
- loans and receivables.

b) Financial liabilities

Financial liabilities at fair value through profit or loss

A financial liability at fair value through profit or loss is a financial liability that meets either of the following conditions:

- It is considered by management as held-for-trading. A financial liability is classified as held-for-trading if:
 - it is incurred principally for the purpose of repurchasing it in the near term;
 - there is evidence of a recent pattern of short-term profit-taking; or
 - a derivative (except for a derivative that is financial guarantee contract or a designated and effective hedging instrument).
- Upon initial recognition, it is designated by the Bank as financial liabilities at fair value through profit or loss.

Financial liabilities carried at amortised cost

Financial liabilities which are not classified as financial liabilities at fair value through profit or loss are classified as financial liabilities carried at amortised cost.

The above described classification of financial instruments is solely for presentation and disclosure purpose and is not intended to be a description of how the financial instruments are measured. Accounting policies for measurement of financial instruments are disclosed in other relevant notes.

27. Comparative information

Comparative information in these separate financial statements is presented as corresponding figures. Under this method, comparative information for the prior year is included as an integral part of the current year and are intended to be read in conjunction with the amounts and other disclosures of the current year. Accordingly, the comparative information included in these separate financial statements is not intended to present the Bank's unconsolidated financial position, unconsolidated results of operation and unconsolidated cash flows for the prior year.

28. Nil balances

Items or balances specified in Circular No. 49/2014/TT-NHNN issued by the SBV on 31 December 2014 ("Circular 49") and Circular No. 27/2021/TT-NHNN issued by the SBV issued on 31 December 2021 amending and supplementing a number of articles of the Accounting Account System of credit institutions stipulated under Decision No. 479/2004/QD-NHNN dated April 29, 2004 and of the financial reporting regime for credit institutions stipulated under Decision No. 16/2007/QD-NHNN dated April 18, 2007 of the Governor of the State Bank of Vietnam that are not shown in these separate financial statements are deemed to have nil balance.

VI. Notes to the separate financial statements

1. Cash and gold on hand

	31/12/2024 VND million	31/12/2023 VND million
Cash on hand in VND	819,003	683,570
Cash on hand in foreign currencies	139,742	141,070
Gold	4,947	26,628
	963,692	851,268

2. Balances with the State Bank of Vietnam

	31/12/2024 VND million	31/12/2023 VND million
Current accounts at the SBV in VND	10,922,451	2,350,492
Current accounts at the SBV in foreign currencies	377,159	334,101
Guarantee deposits in VND	-	100,000
	11,299,610	2,784,593

Under the SBV's regulations relating to the compulsory reserve, banks are permitted to maintain a floating balance for the compulsory reserve requirement ("CRR"). The monthly average balance of the reserves must not be less than the preceding month's average balances of deposits of individual and corporate customers in scope multiplied by CRR rates.

Year-end CRR rates were as follows:

Deposits in scope

	CRR rates	
	31/12/2024	31/12/2023
Deposits in foreign currencies other than VND with term of less than 12 months	8.00%	8.00%
Deposits in foreign currencies other than VND with term of and more than 12 months	6.00%	6.00%
Deposits in VND with term of less than 12 months	3.00%	3.00%
Deposits in VND with term of and more than 12 months	1.00%	1.00%

3. Balances with and loans to other CIs

	31/12/2024 VND million	31/12/2023 VND million
Current accounts	11,375,128	8,462,374
Current accounts in VND	10,608,790	7,750,688
Current accounts in foreign currencies	766,338	711,686
Term deposits	59,674,575	41,645,650
Term deposits in VND	40,509,520	30,789,300
Term deposits in foreign currencies	19,165,055	10,856,350
	71,049,703	50,108,024
Loans to other CIs		
Loans to other CIs in VND	2,324,260	2,890,550
<i>In which: discounted, re-discounted</i>	42,260	-
	2,324,260	2,890,550
	73,373,963	52,998,574

Analysis of loans to and term deposits at other credit institutions by quality:

	31/12/2024 VND million	31/12/2023 VND million
Current debts	61,998,835	44,536,200

Year-end annual interest rates were as follows:

	31/12/2024	31/12/2023
Term deposits in VND	3.70% - 6.30%	0.75% - 4.40%
Term deposits in foreign currencies	4.40% - 5.00%	5.00% - 5.40%
Loans in VND	4.70% - 6.50%	8.87% - 9.34%

4. Held-for-trading securities

	31/12/2024 VND million	31/12/2023 VND million
Debt securities		
Government bonds	4,745,046	7,953,030
Certificates of deposit issued by other local CIs	1,104,802	200,000
Bonds issued by other local CIs	-	200,206
Bonds issued by other local economic entities	3,019,118	-
	8,868,966	8,353,236
Allowance for held-for-trading securities (i)	(2,250)	-
	8,866,716	8,353,236

Listing status of bonds at the year-end were as follows:

	31/12/2024 VND million	31/12/2023 VND million
Listed bonds	7,464,164	8,153,236
Unlisted bonds	300,000	-

Analysis of unlisted corporate bonds (including bonds issued by other credit institutions) classified as assets with credit risk:

	31/12/2024 VND million	31/12/2023 VND million
Current	300,000	-

The term and annual interest rates of debt securities at the year-end were as follows:

	31/12/2024		31/12/2023	
	Term	Interest rate per annum	Term	Interest rate per annum
Government bonds	10 years - 15 years	2.10% - 5.10%	10 years - 30 years	2.10% - 8.00%
Certificates of deposits issued by other local CIs	5.5 months - 1 year	6.50% - 7.50%	1 year	10.20%
Bonds issued by local CIs		Nil	15 years	3.60%
Bonds issued by local economic entities	5 years	12.00% -12.85%		Nil

(i) Allowance for held-for-trading securities

	31/12/2024 VND million	31/12/2023 VND million
General allowance for held-for-trading securities (i)	(2,250)	-

Movements in general allowance for held-for-trading securities during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	-	-
Allowance made during the year (Note VI.23)	2,250	-
Closing balance	2,250	-

5. Loans and advances to customers

	31/12/2024 VND million	31/12/2023 VND million
Loans to local economic entities and individuals	204,645,767	175,739,826
Payments on behalf of customers	74,952	6,965
Loans to foreign economic entities and individuals	308,650	331,152
	205,029,369	176,077,943

Loans portfolio by quality:

	31/12/2024 VND million	31/12/2023 VND million
Current	200,440,976	171,362,072
Special mentioned	1,263,073	1,464,395
Sub-standard	104,453	296,530
Doubtful	523,596	804,654
Loss	2,697,271	2,150,292
	205,029,369	176,077,943

Loans portfolio by term:

	31/12/2024 VND million	31/12/2023 VND million
Short-term loans	103,287,192	62,249,870
Medium-term loans	70,470,770	86,149,871
Long-term loans	31,271,407	27,678,202
	205,029,369	176,077,943

Loans portfolio by currency:

	31/12/2024 VND million	31/12/2023 VND million
Loans in VND	199,487,624	174,028,525
Loans in foreign currencies	5,541,745	2,049,418
	205,029,369	176,077,943

Year-end annual interest rates were as follows:

	31/12/2024	31/12/2023
Loans in VND	2.77% - 13.50%	3.26% - 12.00%
Loans in foreign currencies	3.30% - 7.63%	2.50% - 6.60%

Loans portfolio by customer type:

	31/12/2024 VND million	31/12/2023 VND million
State-owned enterprises	1,610,417	1,256,281
Joint stock companies in which the State's holding percentage is more than 50%	2,462,030	3,594,802
Other joint stock companies	68,995,202	58,865,732
Other limited liability companies	89,464,333	77,733,817
Private companies	36,973	112,657
Foreign invested enterprises	533,608	400,056
Cooperatives, cooperative unions	32,786	22,656
Households and individuals	41,863,317	34,084,482
Others	30,703	7,460
	205,029,369	176,077,943

Loan portfolio by industry sectors was as follows:

	31/12/2024 VND million	31/12/2023 VND million
Agriculture, forestry and aquaculture	200,642	348,709
Mining	1,349,558	1,258,422
Manufacturing and processing	17,705,332	15,341,450
Electricity, gas, hot water, steam and air-conditioning	1,563,680	1,594,262
Construction	10,463,950	7,461,319
Wholesale and retail trade; repair of motor	33,489,746	27,394,555
Transportation and warehouse	13,593,541	12,859,261
Hospitality services	14,386,765	12,507,611
Information and communications	5,711,977	5,241,000
Financial, banking and insurance services	7,729,440	3,486,303
Real estate	9,949,817	9,160,475
Science and technology	12,026,908	10,747,000
Administrative operations and support services	8,017,345	5,736,500
Education and training	2,083	1,300
Health care and social work	83,628	81,756
Art, entertainment and recreation	15,489,724	14,454,873
Employment activities in households, production of material products and services for household self-consumption	41,863,313	34,084,483
Other service activities	11,401,920	14,318,664
	205,029,369	176,077,943

6. Allowance for loans and advances to customers

Allowance for loans and advances to customers consists of:

	31/12/2024 VND million	31/12/2023 VND million
General allowance (i)	1,518,550	1,304,725
Specific allowance (ii)	1,258,821	1,484,176
	2,777,371	2,788,901

(i) Movements in general allowance for loans and advances to customers were as follows:

	2024 VND million	2023 VND million
Opening balance	1,304,725	1,106,290
Allowance made during the year	213,825	198,435
Closing balance	1,518,550	1,304,725

(ii) Movements in specific allowance for loans and advances to customers were as follows:

	2024 VND million	2023 VND million
Opening balance	1,484,176	1,170,275
Allowance made during the year	1,301,131	969,176
Allowance used during the year	(1,526,486)	(655,275)
Closing balance	1,258,821	1,484,176

7. Investment securities

a. Available-for-sale securities

	31/12/2024 VND million	31/12/2023 VND million
Debt securities		
- Government bonds	10,340,000	10,764,582
- Bonds issued by other local CIs	2,633,098	2,938,909
- Bonds issued by local economic entities	3,850,364	250,000
- Certificates of deposit issued by other local CIs	650,378	-
	17,473,840	13,953,491

The term and annual interest rate of available-for-sale debt securities at the year-end were as follows:

	31/12/2024		31/12/2023	
	Term	Interest rate per annum	Term	Interest rate per annum
Government bonds	7 years - 30 years	2.20% - 6.50%	7 years - 30 years	2.20% - 6.50%
Bonds issued by local credit institutions	8 years - 15 years	2.50% - 8.50%	3 years - 15 years	2.50% - 9.00%
Bonds issued by local economic entities	4 years - 7 years	8.62% - 12.50%	4 years	10.225%
Certificates of deposit issued by other local CIs	0.5 year - 1 year	6.00% - 7.00%		Nil

Portfolio of unlisted corporate bonds (including bonds issued by other credit institutions) classified as credit risk exposed assets by debt group was as follows:

	31/12/2024 VND million	31/12/2023 VND million
Current	1,900,000	2,450,000

b. Held-to-maturity securities

	31/12/2024 VND million	31/12/2023 VND million
Bills issued by the SBV	2,000,000	-
Bonds issued by local economic entities	319,364	319,364
	2,319,364	319,364

The term and annual interest rate of held-to-maturity securities at the year-end were as follows:

	31/12/2024		31/12/2023	
	Term	Interest rate per annum	Term	Interest rate per annum
Bills issued by the SBV	7 days	4.00%		Nil
Bonds issued by local economic entities	10 years	8,9%	10 years	8,9%

Portfolio of unlisted corporate bonds (including bonds issued by other credit institutions) classified as credit risk exposed assets by debt group was as follows:

	31/12/2024 VND million	31/12/2023 VND million
Sub-standard	-	319,364
Loss	319,364	-
	319,364	319,364
c. Allowance for investment securities		
	31/12/2024 VND million	31/12/2023 VND million
General allowance for investment securities (i)	-	4,270
Specific allowance for investment securities (ii)	319,364	63,873
	319,364	68,143
(i) Movements in general allowance for investment securities during the year were as follows:		
	2024 VND million	2023 VND million
Opening balance	4,270	4,270
Allowance reversed during the year (Note VI.24)	(4,270)	-
Closing balance	-	4,270
(ii) Movements in specific allowance for held-to-maturity securities during the year were as follows:		
	2024 VND million	2023 VND million
Opening balance	63,873	-
Allowance made during the year (Note VI.24)	255,491	63,873
Closing balance	319,364	63,873
8. Long-term investments		
	31/12/2024 VND million	31/12/2023 VND million
Investment in subsidiaries (i)	2,760,000	2,260,000
Other long-term investments (ii)	59,070	59,070
Allowance for diminution in value of long-term investments (iii)	(363)	(540)
	2,818,707	2,318,530

- (i) Details of investments in subsidiaries of the Bank at the end of the year were as follows:

	31/12/2024		31/12/2023	
	Cost VND million	% Ownership	Cost VND million	% Ownership
SeABank Asset Management Company Limited	1,000,000	100%	500,000	100%
Post and Telecommunication Finance Company Limited (*)	1,760,000	100%	1,760,000	100%
	2,760,000		2,260,000	

- (*) On 6 February 2024, the General Meeting of Shareholders of the Bank issued Resolution No. 90/2025/CV-SeABank approving the transfer of the Bank's entire capital contribution in Post and Telecommunications Finance Company Limited to the transferee AEON Financial Service Co., Ltd. On 30 December 2024, State Bank of Vietnam issued Decision No. 2871/QD-NHNN dated 3 February approving the transfer of capital contribution to the new owner of Post and Telecommunications Finance Company Limited.

- (ii) Details of other long-term investments of the Bank at the end of the year were as follows:

	31/12/2024		31/12/2023	
	Cost VND million	% Ownership	Cost VND million	% Ownership
National Payment Corporation of Vietnam	3,300	1.06%	3,300	1.06%
PetroVietnam Oil Mien Trung Joint Stock Company	4,800	1.59%	4,800	1.59%
PetroVietnam Oil Saigon Joint Stock Company	10,000	5.00%	10,000	5.00%
PetroVietnam Oil Vung Tau Joint Stock Company	10,000	8.33%	10,000	8.33%
Phu My Oil Processing Joint Stock Company	11,000	2.20%	11,000	2.20%
PetroVietnam Oil Tay Ninh Joint Stock Company	12,470	9.59%	12,470	9.59%
PetroVietnam Oil Hanoi Joint Stock Company	7,500	2.83%	7,500	2.83%
	59,070		59,070	

- (iii) Movements in allowance for diminution in value of long-term investments during the year were as follows:

	2024 VND million	2023 VND million
Opening balance	540	1,119
Reversed during the year (Note VI.27)	(177)	(579)
Closing balance	363	540

9. Tangible fixed assets

For the year ended 31 December 2024

	Buildings and structures VND million	Machines and equipment VND million	Means of transportation VND million	Office equipment VND million	Other tangible fixed assets VND million	Total VND million
Cost						
Opening balance	19,075	478,943	422,604	117,513	39,897	1,078,032
Additions	-	1,175	13,999	13,663	769	29,606
Other increases	-	-	360	-	-	360
Disposals	(398)	(1,268)	(2,409)	(15,112)	(1,340)	(20,527)
Closing balance	18,677	478,850	434,554	116,064	39,326	1,087,471
Accumulated depreciation						
Opening balance	6,712	193,281	223,408	92,611	12,384	528,396
Charge for the year	854	37,185	38,318	11,211	4,479	92,047
Other increases	-	-	360	-	-	360
Disposals	(398)	(1,268)	(2,409)	(15,112)	(1,340)	(20,527)
Closing balance	7,168	229,198	259,677	88,710	15,523	600,276
Net book value						
Opening balance	12,363	285,662	199,196	24,902	27,513	549,636
Closing balance	11,509	249,652	174,877	27,354	23,803	487,195

For the year ended 31 December 2023

	Buildings and structures VND million	Machines and equipment VND million	Means of transportation VND million	Office equipment VND million	Other tangible fixed assets VND million	Total VND million
Cost						
Opening balance	19,075	319,227	395,662	115,843	22,350	872,157
Additions	-	160,190	27,042	3,632	17,655	208,519
Disposals	-	(474)	(100)	(1,962)	(108)	(2,644)
Closing balance	19,075	478,943	422,604	117,513	39,897	1,078,032
Accumulated depreciation						
Opening balance	5,842	162,380	186,000	83,140	9,705	447,067
Charge for the year	870	31,375	37,508	11,433	2,787	83,973
Disposals	-	(474)	(100)	(1,962)	(108)	(2,644)
Closing balance	6,712	193,281	223,408	92,611	12,384	528,396
Net book value						
Opening balance	13,233	156,847	209,662	32,703	12,645	425,090
Closing balance	12,363	285,662	199,196	24,902	27,513	549,636

Included in tangible fixed assets were assets costing VND127,734 million which were fully depreciated as of 31 December 2024 (31 December 2023: VND84,917 million), but still in active use.

10. Intangible fixed assets

For the year ended 31 December 2024

	Land - use rights VND million	Computer software VND million	Other intangible fixed assets VND million	Total VND million
Cost				
Opening balance	384,373	558,120	8,156	950,649
Additions	156,362	50,898	-	207,260
Closing balance	540,735	609,018	8,156	1,157,909
Accumulated amortisation				
Opening balance	-	228,904	5,726	234,630
Charge for the year	-	45,383	764	46,147
Closing balance	-	274,287	6,490	280,777
Net book value				
Opening balance	384,373	329,216	2,430	716,019
Closing balance	540,735	334,731	1,666	877,132

For the year ended 31 December 2023

	Land - use rights VND million	Computer software VND million	Other intangible fixed assets VND million	Total VND million
Cost				
Opening balance	384,373	456,578	8,156	849,107
Additions	-	101,542	-	101,542
Closing balance	384,373	558,120	8,156	950,649
Accumulated amortisation				
Opening balance	-	188,543	4,662	193,205
Charge for the year	-	40,361	1,064	41,425
Closing balance	-	228,904	5,726	234,630
Net book value				
Opening balance	384,373	268,035	3,494	655,902
Closing balance	384,373	329,216	2,430	716,019

Included in intangible fixed assets were assets costing VND56,405 million which were fully amortised as of 31 December 2024 (31 December 2023: VND45,535 million), but still in active use.

11. Other assets

	31/12/2024 VND million	31/12/2023 VND million
Receivables	1,865,788	6,802,965
Internal receivables	475,821	439,452
External receivables	1,389,967	6,363,513
Interest and fee receivables	2,531,737	3,277,171
Other assets	1,954,317	2,056,959
Allowance for other on-balance sheet assets (i)	(26,949)	(27,675)
	6,324,893	12,109,420

Other assets classified as credit risk exposed assets by debt group was as follows:

	31/12/2024 VND million	31/12/2023 VND million
Current	1,056,000	-

(i) Movements in allowance for other on-balance sheet assets during the period were as follows:

	2024 VND million	2023 VND million
Opening balance	27,675	27,393
(Reversed)/made during the year (Note VI.27)	(726)	282
Closing balance	26,949	27,675

12. Amounts due to the Government and the SBV

	31/12/2024 VND million	31/12/2023 VND million
Borrowings on discount, rediscount of valuable papers	-	439,123
Borrowings from the SBV	2,064,483	2,099,514
	2,064,483	2,538,637

13. Deposits and borrowings from other credit institutions

	31/12/2024 VND million	31/12/2023 VND million
Demand deposits from other credit institutions	11,118,298	9,368,417
In VND	11,118,290	9,368,409
In foreign currencies	8	8
Term deposits from other credit institutions	45,381,065	39,332,900
In VND	41,697,920	37,392,100
In foreign currencies	3,683,145	1,940,800
	56,499,363	48,701,317
Borrowings from other credit institutions		
In VND	12,183,065	5,563,887
<i>In which:</i>		
- <i>Borrowings on discounted and rediscounted valuable papers</i>	6,993,632	-
- <i>Other borrowings</i>	5,189,433	5,563,887
In foreign currencies (i)	17,225,440	14,087,352
	29,408,505	19,651,239
	85,907,868	68,352,556

- (i) Included in the balance as at 31 December 2024 were convertible borrowings from the International Finance Corporation (“IFC”) amounting to USD75 million and convertible borrowings from the Norwegian Government Investment Fund for Developing Countries (“Norfund”) amounting to USD30 million (31/12/2023: convertible borrowings from IFC amounting to USD75 million).

IFC and Norfund have the options to convert all or part of the debts into shares of the Bank during the term of the borrowings. As at 31 December 2024, the lenders have not yet converted the aforementioned borrowings.

Year-end annual interest rates were as follows:

	31/12/2024	31/12/2023
Term deposits in VND	3.80% - 6.35%	0.70% - 4.50%
Term deposits in foreign currencies	4.70% - 4.95%	5.30% - 5.40%
Borrowings in VND	4.00% - 10.00%	3.28% - 9.34%
Borrowings in foreign currencies	4.39% - 8.43%	0.57% - 8.64%

14. Deposits from customers

	31/12/2024	31/12/2023
	VND million	VND million
Demand deposits	31,563,328	15,805,795
- Demand deposits in VND	30,594,954	15,094,862
- Demand deposits in gold and foreign currencies	968,374	710,933
Term deposits	136,188,155	128,512,764
- Term deposits in VND	135,786,259	128,059,843
- Term deposits in gold and foreign currencies	401,896	452,921
Deposits for special purpose	379,872	410,674
Margin deposits	714,766	495,828
	168,846,121	145,225,061

Deposits from customers by customer type was as follows:

	31/12/2024	31/12/2023
	VND million	VND million
State-owned enterprises	14,821,908	15,467,735
Joint stock companies in which the State's holding percentage is more than 50%	5,034,134	3,818,036
Other joint stock companies	34,601,355	26,370,495
Limited liability companies	19,824,024	8,891,904
Partnerships	2,213	6,816
Private companies	88,428	116,808
Foreign invested enterprises	1,038,783	678,669
Cooperatives, cooperative unions	49,722	37,010
Households and individuals	92,768,783	89,077,488
Others	616,771	760,100
	168,846,121	145,225,061

Year-end annual interest rates were as follows:

	31/12/2024	31/12/2023
Demand deposits in VND	0.10% - 0.50%	0.20% - 0.50%
Demand deposits in foreign currencies	0.00%	0.00%
Term deposits in VND	0.50% - 6.75%	0.50% - 6.10%
Term deposits in foreign currencies	0.00%	0.00%

15. Derivatives and other financial liabilities

	Total contract value (at exchange rate as of contract effective date) VND million	Net book value (at exchange rate as of reporting date)		
		Assets VND million	Liabilities VND million	Net value VND million
<i>As at 31 December 2024</i>				
Currency forward contracts	13,379,356	7,868	154,598	(146,730)
Interest rate forward contracts	66,606	9	2,011	(2,002)
Currency swap contracts	86,670,810	469,243	450,891	18,352
Interest rate swap contracts	3,738,560	-	173,194	(173,194)
	103,855,332	477,120	780,694	(303,574)
<i>As at 31 December 2023</i>				
Currency forward contracts	34,926,220	137,173	128,441	8,732
Interest rate forward contracts	228,208	228	1,930	(1,702)
Currency swap contracts	63,785,077	231,271	347,952	(116,681)
Interest rate swap contracts	3,738,560	6,300	3,780	2,520
	102,678,065	374,972	482,103	(107,131)

16. Valuable papers issued

	31/12/2024 VND million	31/12/2023 VND million
Term bonds	1,250,000	5,849,000
- From 12 months to less than 5 years	-	4,199,000
- From 5 years	1,250,000	1,650,000
Certificates of deposits	29,200,200	10,997,100
	30,450,200	16,846,100

Year-end annual interest rates were as follows:

	31/12/2024	31/12/2023
Term bonds		
- From 12 months to less than 5 years	Nil	4.10% - 4.70%
- From 5 years	6.60% - 9.00%	6.60% - 9.00%
Certificates of deposits	5.10% - 7.85%	6.00% - 8.80%

17. Other liabilities

	31/12/2024 VND million	31/12/2023 VND million
Accrued interest and fee payables	2,934,618	3,769,648
Other payables and liabilities	1,274,584	997,109
Internal payables	9,331	7,259
External payables	1,054,096	844,868
In which:		
- <i>Deferred income</i>	<i>616</i>	<i>328</i>
- <i>Taxes and others payable to State Treasury (Notes VI.30)</i>	<i>835,150</i>	<i>577,126</i>
- <i>Other payables</i>	<i>218,330</i>	<i>267,414</i>
Bonus and welfare fund	211,157	144,982
	4,209,202	4,766,757

18. Owners' equity

Changes in owner's equity during the year were as follows:

For the year ended 31 December 2024

	Charter capital VND million	Share premium VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Retained earnings VND million	Total VND million
Balance at 1 January 2024	24,957,000	106,167	1,286,535	380,844	3,608,242	30,338,788
Net profit for the year	-	-	-	-	4,727,510	4,727,510
Shares issued for payment of dividends	3,290,000	-	-	-	(3,290,000)	-
Increase of capital from share premium	103,000	(103,000)	-	-	-	-
Appropriation to reserves	-	-	472,751	472,751	(945,502)	-
Appropriation to bonus and welfare fund	-	-	-	-	(110,000)	(110,000)
Balance at 31 December 2024	28,350,000	3,167	1,759,286	853,595	3,990,250	34,956,298

For the year ended 31 December 2023

	Charter capital VND million	Share premium VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Retained earnings VND million	Total VND million
Balance at 1 January 2023	20,402,983	1,204,184	915,527	195,340	3,522,673	26,240,707
Profit for the year	-	-	-	-	3,710,081	3,710,081
Increase of capital from shares issued under the Employee Stock Ownership Plan	420,000	84,000	-	-	-	504,000
Shares issued for payment of dividends	2,952,000	-	-	-	(2,952,000)	-
Increase of capital from share premium	1,182,017	(1,182,017)	-	-	-	-
Appropriation to reserves	-	-	371,008	185,504	(556,512)	-
Appropriation to bonus and welfare fund	-	-	-	-	(116,000)	(116,000)
Balance at 31 December 2023	24,957,000	106,167	1,286,535	380,844	3,608,242	30,338,788

Share capital

	31/12/2024		31/12/2023	
	Number of shares	VND million	Number of shares	VND million
Issued share capital				
Ordinary share	2,835,000,000	28,350,000	2,495,700,000	24,957,000
Number of outstanding shares				
Ordinary share	2,835,000,000	28,350,000	2,495,700,000	24,957,000

All ordinary shares of the Bank have a par value of VND10,000. Each share is entitled to one vote at shareholders meetings of the Bank. Share dividends are issued to existing shareholders using the method of exercise rights. All ordinary shares are ranked equally with regard to the Bank's residual assets.

Changes in share capital during the year were as follows:

	2024		2023	
	Number of shares	VND million	Number of shares	VND million
Opening balance	2,495,700,000	24,957,000	2,040,298,268	20,402,983
Shares issued during the year	339,300,000	3,393,000	455,401,732	4,554,017
Closing balance	2,835,000,000	28,350,000	2,495,700,000	24,957,000

On 21 June 2024, the Board of Directors of the Bank issued Resolution No. 494/2024/NQ-HDQT on implementing the plan to issue shares to increase charter capital. On 21 June 2024, the Bank submitted Proposal No. 497/2024/TTr-HDQT to the SBV requesting approval to increase charter capital and received Official Letter No. 5373/NHNN-TTGSNH of the SBV dated 28 June 2024 approving the Bank to increase charter capital by a maximum of VND3,843,000 million; in which, by issuing shares to pay dividends of up to VND3,290,000 million, issuing shares to increase share capital from equity of up to VND 103,000 million, issuing shares under the Employee Stock Ownership Plan of up to VND450,000 million.

On 4 September 2024, the State Securities Commission issued Notice No. 5608/UBCK-QLCB on receipt of the report on results of the shares issuance to increase share capital from equity/ according to the Bank's Report on Issuance Results No. 748/2024/BC-SeABank dated 29 August 2024. Accordingly, the Bank has distributed 10,300,000 shares with par value of VND10,000 per share.

On 4 September 2024, the State Securities Commission issued Notice No. 5609/UBCK-QLCB on receipt of the report on results of the shares issuance to pay dividends according to the Bank's Report on Issuance Results No. 747/2024/BC-SeABank dated 29 August 2024. Accordingly, the Bank has distributed 329,000,000 shares with par value of VND10,000 per share.

19. Interest and similar income

	2024 VND million	2023 VND million
Interest income from deposits	1,807,058	1,494,874
Interest income from loans	16,821,100	16,776,171
Interest income from investments in securities	726,739	858,849
Income from guarantee services	127,887	105,059
Other income from credit activities	146,946	142,139
	19,629,730	19,377,092

20. Interest and similar expenses

	2024 VND million	2023 VND million
Interest expenses for deposits	7,906,271	9,798,109
Interest expenses for borrowings	1,596,423	1,558,062
Interest expenses for valuable papers issued	939,258	1,214,618
Other expenses for credit activities	329,980	104,584
	10,771,932	12,675,373

21. Net fee and commission income

	2024 VND million	2023 VND million
Fee and commission income	1,297,718	1,485,514
- Income from settlement and cash services	496,228	1,014,792
- Income from treasury services	3,608	3,718
- Income from insurance agency services	235,083	173,661
- Income from the services	562,799	293,343
Fee and commission expenses	(221,072)	(205,931)
- Expenses for settlement and cash services	(105,849)	(89,644)
- Expenses for treasury services	(18,295)	(19,372)
- Expenses for other services	(96,928)	(96,915)
	1,076,646	1,279,583

22. Net gain from trading of foreign currencies

	2024 VND million	2023 VND million
Income from trading of foreign currencies	1,559,744	2,836,194
- Income from spot foreign currency trading	781,860	1,438,780
- Income from trading of gold	1,533	2,337
- Income from currency derivatives	776,351	1,395,077
Expenses for trading of foreign currencies	(989,163)	(2,233,724)
- Expenses for spot foreign currency trading	(39,027)	(51,608)
- Expenses for trading of gold	(54)	(5)
- Expenses for currency derivatives	(950,082)	(2,182,111)
	570,581	602,470

23. Net (loss)/gain from held-for-trading securities

	2024 VND million	2023 VND million
Gain from held-for-trading securities	1,242,784	580,265
Loss from held-for-trading securities	(1,412,675)	(471,085)
Allowance for held-for-trading securities made during the year (Note VI.4)	(2,250)	-
	(172,141)	109,180

24. Net gain from investment securities

	2024 VND million	2023 VND million
Gain from investment securities	1,000,236	364,808
Loss from investment securities	(427,608)	(156,728)
General allowance for investment securities reversed during the year (Note VI.7(c))	4,270	-
Specific allowance for investment securities made during the year (Note VI.7(c))	(255,491)	(63,873)
	321,407	144,207

25. Net other income

	2024 VND million	2023 VND million
Income from other activities	785,895	330,383
- Income from other derivatives	164,141	234,650
- Income from bad debts previously written off	578,442	81,623
- Income from other activities	43,312	14,110
Expenses for other activities	(189,568)	(140,905)
- Expenses for other derivatives	(172,560)	(128,654)
- Expenses for other activities	(17,008)	(12,251)
	596,327	189,478

26. Income from capital contribution, share purchase

	2024 VND million	2023 VND million
Dividends received from capital contribution, share purchase	1,396	14,358
Profit distributed from the subsidiary	-	29,649
	1,396	44,007

27. Operating expenses

	2024 VND million	2023 VND million
Tax, duties and fees	105,401	39,542
Staff costs	2,011,691	1,749,878
<i>In which:</i>		
- Salary and allowances	1,858,460	1,613,820
- Salary based contribution	116,432	107,020
- Allowances	379	177
- Others	36,420	28,861
Expenses on assets	762,128	658,088
- Depreciation and amortisation of fixed assets	138,194	125,398
- Others	623,934	532,690
Administrative expenses	590,759	515,105
- Per diems	41,756	35,941
- Printing materials and papers	27,996	38,606
- Postage and telephone expenses	34,209	32,763
- Others	486,798	407,795
Insurance fee for customers' deposits	135,804	117,411
Other expenses	222,707	196,172
Allowance reversed for diminution in value of long-term investments (Note VI.8)	(177)	(579)
Allowance (reversed)/made for other on-balance sheet assets (Note VI.11)	(726)	282
	3,827,587	3,275,899

28. Corporate income tax expense

	2024 VND million	2023 VND million
Accounting profit before tax	5,909,471	4,627,134
<i>Adjustments for:</i>		
- Dividend income and other tax-exempted income	(1,396)	(44,007)
- Non-deductible expenses	1,730	2,138
Taxable profit	5,909,805	4,585,265
Corporate income tax rate	20%	20%
Corporate income tax expense	1,181,961	917,053

29. Cash and cash equivalents

	31/12/2024 VND million	31/12/2023 VND million
Cash and gold	963,692	851,268
Balances with the SBV	11,299,610	2,784,593
Current accounts at other CIs	11,375,128	8,462,374
Term deposits at other CIs with original terms of not exceeding 3 months	59,674,575	41,645,650
Bills issued by the SBV with original terms of not exceeding 3 months	2,000,000	-
	85,313,005	53,743,885

30. Obligations to the State Treasury

For the year ended 31 December 2024

	1/1/2024 VND million	Movements during the year		31/12/2024 VND million
		Payable VND million	Paid VND million	
Value added tax	21,923	184,240	(175,353)	30,810
Corporate income tax	546,233	1,181,961	(936,234)	791,960
Personal income tax	8,970	177,435	(174,025)	12,380
Other taxes	-	80,625	(80,625)	-
	577,126	1,624,261	(1,366,237)	835,150

For the year ended 31 December 2023

	1/1/2023 VND million	Movements during the year		31/12/2023 VND million
		Payable VND million	Paid VND million	
Value added tax	11,653	78,884	(68,614)	21,923
Corporate income tax	389,310	917,053	(760,130)	546,233
Personal income tax	7,248	146,569	(144,847)	8,970
Other taxes	-	59,197	(59,197)	-
	408,211	1,201,703	(1,032,788)	577,126

31. Concentration of assets, liabilities and off-balance sheet items by geographical regions

Concentration of the Bank's assets, liabilities and off-balance sheet items by geographical region as at 31 December 2024 were as follows:

	Total loans customers and other CIs	Total deposits from customers and other CIs	Contingent credit commitments	Derivatives and other financial liabilities (net)	Held- for- trading securities and investment securities
	VND million	VND million	VND million	VND million	VND million
Domestic	207,044,979	225,280,536	10,744,833	303,574	28,662,170
Overseas	308,650	64,948	-	-	-
	207,353,629	225,345,484	10,744,833	303,574	28,662,170

Concentration of the Bank's assets, liabilities and off-balance sheet items by geographical region as at 31 December 2023 were as follows:

	Total loans to customers and other CIs	Total deposits from customers and other CIs	Contingent credit commitments	Derivatives and other financial liabilities (net)	Held- for- trading and investment securities
	VND million	VND million	VND million	VND million	VND million
Domestic	178,637,341	193,889,938	11,814,794	107,131	22,626,091
Overseas	331,152	36,440	-	-	-
	178,968,493	193,926,378	11,814,794	107,131	22,626,091

32. Significant transactions and balances with related parties

The following related parties had transactions and/or balances with the Bank at year-end as follows:

Related parties	Relationship
SeABank Asset Management Company Limited	Subsidiary
Post and Telecommunication Finance Company Limited	Subsidiary
Thang Long GTC Joint Stock Company	Common member of BOD
BRG Group Joint Stock Company and its subsidiaries	Common member of BOD
Vietnam Aircraft Leasing Joint Stock Company	Common member of BOD
North Hanoi Smart City Development Investment Joint Stock Company	Common member of BOD

Balances with related parties as at year-end were as follows:

	31/12/2024	31/12/2023
	VND million	VND million
<i>SeABank Asset Management Company Limited</i>		
Capital contribution from the Bank	1,000,000	500,000
Demand deposits at the Bank	2,604	11,202
Term deposits at the Bank	523,500	374,000
Other payables to the Bank	36,284	11,164
Other receivables from the Bank	12,341	26,215
Borrowings from the Bank	-	274,352
<i>Post and Telecommunication Finance Company Limited</i>		
Capital contribution from the Bank	1,760,000	1,760,000
Demand deposits at the Bank	604,217	1,654,518
Term deposits at the Bank	3,130,000	4,300,000
Other payables to the Bank	10,291	7,718
<i>Thang Long GTC Joint Stock Company</i>		
Demand deposits at the Bank	10,350	10,146
Term deposits at the Bank	419,900	407,900
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
Demand deposits at the Bank	130,614	143,156
Term deposits at the Bank	1,060,830	731,524
Guarantees at the Bank	-	1,369
<i>Vietnam Aircraft Leasing Joint Stock Company</i>		
Demand deposits at the Bank	6	7
Term deposits at the Bank	949,495	366,500
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
Demand deposits at the Bank	15,526,074	396,627
Term deposits at the Bank	-	12,530,000
Borrowings from the Bank	4,300,000	-

Details of transactions with related parties during the year were as follows:

	2024	2023
	VND million	VND million
<i>SeABank Asset Management Company Limited</i>		
Office rental expenses	4,048	5,068
Interest expenses on deposits	21,545	27,309
Income from capital contribution	-	29,649
Interest income from loans	3,747	644
<i>Post and Telecommunication Finance Company Limited</i>		
Interest expenses on deposits	271	292
Interest income from certificates of deposit	-	104,683
Interest income from deposits	128,527	121,699
<i>Thang Long GTC Joint Stock Company</i>		
Interest expenses for deposits	15,768	21,376
Fee income from guarantees	-	7
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
Interest expenses for deposits	22,134	23,929
Fee income from guarantees	1	9,110
<i>Vietnam Aircraft Leasing Joint Stock Company</i>		
Interest expenses for deposits	19,618	16,629
Interest income from loans	100	-
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
Interest expenses for deposits	201,912	153,742
Interest income from loans	4,418	-

	2024 VND million	2023 VND million
Remuneration of the Board of Directors	22,519	22,308
Chairman	6,000	6,000
Standing vice chairwoman	5,400	5,400
02 Vice Chairwoman	7,161	7,119
Ms. Ngo Thi Nhai - member	401	1,297
Mr. Mathew Nevil Welch - member	1,200	1,184
Mr. Fergus Mardonald Clark - independent member	1,404	948
Mr. Hoang Minh Tan - member	-	180
Mr. Bui Trung Kien - member	-	180
Ms. Tran Thi Thanh Thuy - member	953	-
Remuneration of the Supervisory Board	5,060	3,846
Salary, bonus and remuneration of the General Director and other managers	30,553	31,497

33. Assets and valuable papers pledged/mortgaged or discounted/re-discounted

a. Pledged/mortgaged or discounted/re-discounted assets and valuable papers held as collaterals

	31/12/2024 VND million	31/12/2023 VND million
Real estate	328,199,221	186,213,593
Movable assets	8,735,928	10,047,272
Valuable papers	75,836,085	46,796,355
Other collaterals	84,579,205	68,321,080
	497,350,439	311,378,300

b. Assets and valuable papers being pledged/mortgaged or discounted/re-discounted

	31/12/2024 VND million	31/12/2023 VND million
Held-for-trading investment securities	2,085,000	-
- Bonds issued by the Government	2,085,000	-
Available-for-sale investment securities	6,906,000	2,364,610
- Bonds issued by the Government	4,998,000	149,610
- Securities issued by other local CIs	1,908,000	2,215,000
	8,991,000	2,364,610

34. Off-balance sheet items

a. Contingent liabilities and commitments issued

	31/12/2024 VND million			31/12/2023 VND million		
	Contractual value - gross	Margin deposits	Contractual value - net	Contractual value - gross	Margin deposits	Contractual value - net
Foreign exchange commitments						
- Foreign currency purchase commitments	355,614	-	355,614	8,707	-	8,707
- Foreign currency sale commitments	863,634	-	863,634	8,693	-	8,693
- Purchase commitments - currency swap	50,051,658	-	50,051,658	38,549,140	-	38,549,140
- Sale commitments - currency swap	37,394,340	-	37,394,340	25,783,528	-	25,783,528
Letters of credit	2,343,582	(115,424)	2,228,158	6,662,109	(59,346)	6,602,763
Other guarantees	8,916,602	(399,927)	8,516,675	5,515,126	(303,095)	5,212,031
Interest rate swaps	8,150,314	-	8,150,314	7,974,600	-	7,974,600

b. Uncollected loan interest and fees

	31/12/2024 VND million	31/12/2023 VND million
Loan interest not yet collected	2,328,243	2,146,059
Held-to-maturity bond interest not yet collected	284,234	86,127
Fees not yet collected	37	37
	2,612,514	2,232,223

c. Written-off bad debts

	31/12/2024 VND million	31/12/2023 VND million
Principle balance of bad debts written-off under monitoring	5,544,058	4,950,956

d. Other assets and documents in custody

	31/12/2024	31/12/2023
	VND million	VND million
Precious metals and gemstones kept under custody	15,649	89,694
Leased assets	1,343,207	1,399,638
Other valuable documents in custody	3,944	-
	1,362,800	1,489,332

35. Employee benefits

	2024	2023
	VND million	VND million
Average number of employees (persons)	5,279	5,158
Employees' income	1,858,460	1,613,820
Bonus and incentives	54,767	25,449
	1,913,227	1,639,269
Average monthly income (VND million/person/month)	30.20	26.48

VII. Financial risk management

This note provides information of the Bank exposure to risk and describes the policies, the methods used by the Bank's management to control risk. The most important types of financial risks to which the Bank is exposed are market risk, credit risk, liquidity risk.

1. Interest rate risk

Interest rate risk to the Bank's operation derives from difference in maturity or amount between interest-bearing assets and liabilities.

The following table presents assets and liabilities of the Bank as at the reporting date, classified based on interest rate re-pricing period or maturity date. The interest rate re-pricing date and expected maturity date may differ from the respective dates in the contract, especially for maturity date of customers' deposits.

As of 31 December 2024 (VND million)	Non - sensitive to interest rate	Overdue	Under 1 month	From over 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total
Assets									
Cash and gold	963,692	-	-	-	-	-	-	-	963,692
Balances with the SBV	11,299,610	-	-	-	-	-	-	-	11,299,610
Balances with and loans to other CIs - gross	34,776,995	-	27,724,448	8,872,520	-	2,000,000	-	-	73,373,963
Held-for-trading securities - gross	-	-	8,868,966	-	-	-	-	-	8,868,966
Loans and advances to customers - gross	-	4,588,393	71,006,871	56,740,402	50,599,337	17,547,683	4,130,403	416,280	205,029,369
Investment securities - gross	-	319,364	2,000,000	525,795	300,199	100,000	2,600,969	13,946,877	19,793,204
Long-term investments - gross	2,819,070	-	-	-	-	-	-	-	2,819,070
Fixed assets	1,364,327	-	-	-	-	-	-	-	1,364,327
Other assets - gross	6,351,842	-	-	-	-	-	-	-	6,351,842
Total assets	57,575,536	4,907,757	109,600,285	66,138,717	50,899,536	19,647,683	6,731,372	14,363,157	329,864,043
Liabilities									
Amounts due to the Government and the SBV	-	-	-	2,113	68,086	1,994,284	-	-	2,064,483
Deposits and borrowings from other CIs	27,568,298	-	21,359,183	16,184,833	1,576,620	6,010,414	11,303,445	1,905,075	85,907,868
Deposits from customers	-	-	32,377,751	40,974,795	46,926,833	41,220,828	7,345,367	547	168,846,121
Derivative and other financial liabilities	128,378	-	314	1,688	-	-	173,194	-	303,574
Valuable papers issued	-	-	500,000	-	94,200	25,906,000	3,950,000	-	30,450,200
Other liabilities	4,209,202	-	-	-	-	-	-	-	4,209,202
Total liabilities	31,905,878	-	54,237,248	57,163,429	48,665,739	75,131,526	22,772,006	1,905,622	291,781,448
Interest sensitivity gap on- balance sheet	25,669,658	4,907,757	55,363,037	8,975,288	2,233,797	(55,483,843)	(16,040,634)	12,457,535	38,082,595
Interest sensitivity gap off- balance sheet	-	-	-	-	--	-	-	-	-
Interest sensitivity gap on and off-balance sheet	25,669,658	4,907,757	55,363,037	8,975,288	2,233,797	(55,483,843)	(16,040,634)	12,457,535	38,082,595

As of 31 December 2023 (VND million)	Non - sensitive to interest rate	Overdue	Under 1 month	From over 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total
Assets									
Cash and gold	851,268	-	-	-	-	-	-	-	851,268
Balances with the SBV	2,784,593	-	-	-	-	-	-	-	2,784,593
Balances with and loans to other CIs - gross	25,106,394	-	21,896,630	3,105,000	-	2,890,550	-	-	52,998,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	-	-	-	8,353,236
Loans and advances to customers - gross	-	4,715,871	45,003,609	68,881,181	39,474,332	14,497,087	3,404,606	101,257	176,077,943
Investment securities - gross	-	319,364	42,002	250,000	311,002	9,996	6,153,449	7,187,042	14,272,855
Long-term investments - gross	2,319,070	-	-	-	-	-	-	-	2,319,070
Fixed assets	1,265,655	-	-	-	-	-	-	-	1,265,655
Other assets - gross	12,137,095	-	-	-	-	-	-	-	12,137,095
Total assets	44,464,075	5,035,235	75,295,477	72,236,181	39,785,334	17,397,633	9,558,055	7,288,299	271,060,289
Liabilities									
Amounts due to the Government and the SBV	-	-	439,123	28,361	68,086	2,003,067	-	-	2,538,637
Deposits and borrowings from other CIs	25,758,417	-	21,159,449	3,338,524	1,150,304	3,966,762	8,127,100	4,852,000	68,352,556
Deposits from customers	-	-	43,630,671	27,662,404	46,867,682	23,332,382	3,731,635	287	145,225,061
Derivative and other financial liabilities	107,948	-	1,323	33	347	-	(2,520)	-	107,131
Valuable papers issued	-	-	-	2,610,200	1,960,400	9,624,300	2,651,200	-	16,846,100
Other liabilities	4,766,757	-	-	-	-	-	-	-	4,766,757
Total liabilities	30,633,122	-	65,230,566	33,639,522	50,046,819	38,926,511	14,507,415	4,852,287	237,836,242
Interest sensitivity gap on- balance sheet	13,830,953	5,035,235	10,064,911	38,596,659	(10,261,485)	(21,528,878)	(4,949,360)	2,436,012	33,224,047
Interest sensitivity gap on and off-balance sheet	13,830,953	5,035,235	10,064,911	38,596,659	(10,261,485)	(21,528,878)	(4,949,360)	2,436,012	33,224,047

2. Currency risk

The Bank is exposed to currency risk in transactions in foreign currencies, primarily in United States Dollar. Risks in transactions in foreign currencies shall give rise to foreign exchange gains or losses and such gains or losses are recognised in the separate statement of income.

The Bank has set limits on positions by currency based on its internal risk assessment process and the regulations of the SBV. Currency positions are monitored on a daily basis and hedging strategies are used to ensure positions are maintained within established limits.

The following table presents currency status of the Bank's assets and liabilities as at 31 December 2024 and 31 December 2023:

As at 31 December 2024

	EUR VND million	USD VND million	Other currencies VND million	Total VND million
Assets				
Cash and gold	25,754	103,804	15,131	144,689
Balances with the SBV	-	377,159	-	377,159
Balances with and loans to other CIs - gross	17,516	19,767,638	146,239	19,931,393
Loans and advances to customers - gross	-	5,541,745	-	5,541,745
Other assets - gross	400	75,662	-	76,062
Total assets	43,670	25,866,008	161,370	26,071,048
Liabilities				
Deposits and borrowings from other CIs	-	20,908,593	-	20,908,593
Deposits from customers	39,791	1,618,827	102,113	1,760,731
Derivatives and other financial instruments	-	2,199,608	31,728	2,231,336
Other liabilities	112	393,889	6	394,007
Total liabilities	39,903	25,120,917	133,847	25,294,667
FX position on-balance sheet	3,767	745,091	27,523	776,381
FX position off-balance sheet	-	(508,020)	-	(508,020)
Total FX position on and off-balance sheet	3,767	237,071	27,523	268,361

As at 31 December 2023

	EUR VND million	USD VND million	Other currencies VND million	Total VND million
Assets				
Cash and gold	34,270	99,569	33,653	167,492
Balances with the SBV	-	334,101	-	334,101
Balances with and loans to other CIs - gross	12,940	11,466,632	88,464	11,568,036
Derivatives and other financial assets	-	3,460,806	(25,741)	3,435,065
Loans and advances to customers - gross	-	2,049,418	-	2,049,418
Other assets - gross	405	434,420	701	435,526
Total assets	47,615	17,844,946	97,077	17,989,638
Liabilities				
Deposits and borrowings from other CIs	-	16,027,459	701	16,028,160
Deposits from customers	47,406	1,453,957	34,081	1,535,444
Other liabilities	579	403,821	13,099	417,499
Total liabilities	47,985	17,885,237	47,881	17,981,103
FX position on-balance sheet	(370)	(40,291)	49,196	8,535
FX position off-balance sheet	5,395	(8,693)	3,312	14
Total FX position on and off-balance sheet	5,025	(48,984)	52,508	8,549

The followings were the exchange rates of some foreign currencies at the year end:

	Exchange rate as at	
	31/12/2024 VND	31/12/2023 VND
AUD	15,864	16,561
CAD	17,759	18,359
CHF	28,177	28,844
EUR	26,665	26,974
GBP	32,153	31,005
HKD	3,283	3,106
JPY	163.1	171.6
KRW	17.58	19.05
SGD	18,726	18,410
THB	745	706
CNY	2,994	2,994
USD	25,401	24,260
XAU	8,315,000	7,395,000

3. Credit risk

Credit risk to the Bank mainly derives from loans and advances to customers. The credit risk level is shown on the carrying value of the assets in the separate statement of financial position. In addition, the Bank also faces credit risk in the form of off-balance sheet commitments to extend credit and guarantees.

The concentration of credit risk (whether on or off-balance sheet) rising from financial instruments accompanies groups of partners in which members have similar economic characteristics that would cause the ability of the groups to fulfil their obligations to be affected if there are fluctuations in economic conditions or other conditions.

The main concentration of credit risk is from various areas and types of customers regarding to investments, loans and advances, credit commitments and guarantees granted by the Bank.

As of 31 December 2024	Neither past due nor allowance required VND million	Past due but no allowance required VND million	Allowance made VND million	Total VND million
Balances with the SBV	11,299,610	-	-	11,299,610
Deposits with and loans to other CIs - gross	73,373,963	-	-	73,373,963
Held-for-trading securities - gross	8,868,966	-	-	8,868,966
Loans to customers - gross	198,366,186	2,174,517	4,488,666	205,029,369
Investment securities - gross	19,473,840	-	319,364	19,793,204
Other financial assets - gross	4,370,576	-	26,949	4,397,525
	315,753,141	2,174,517	4,834,979	322,762,637

As of 31 December 2023	Neither past due nor allowance required VND million	Past due but no allowance required VND million	Allowance made VND million	Total VND million
Balances with the SBV	2,784,593	-	-	2,784,593
Deposits with and loans to other CIs - gross	52,998,574	-	-	52,998,574
Held-for-trading securities - gross	8,353,236	-	-	8,353,236
Loans to customers - gross	168,733,295	1,789,671	5,554,977	176,077,943
Investment securities - gross	13,953,491	-	319,364	14,272,855
Other financial assets - gross	10,052,461	-	27,675	10,080,136
	256,875,650	1,789,671	5,902,016	264,567,337

4. Liquidity risk

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

The following table shows the analysis of assets and liabilities of the Bank according to their maturities as at 31 December 2024 and 31 December 2023:

As of 31 December 2024 (VND million)	Overdue					Current			Total
	Up to 3 months	Over 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	Over 5 years		
Assets									
Cash and gold	-	-	963,692	-	-	-	-	-	963,692
Balances with the SBV	-	-	11,299,610	-	-	-	-	-	11,299,610
Balances with and loans to other CIs - gross	-	-	62,501,443	8,872,520	2,000,000	-	-	-	73,373,963
Held-for-trading securities - gross	-	-	8,868,966	-	-	-	-	-	8,868,966
Loans and advances to customers - gross	1,263,073	3,325,320	16,769,054	28,803,628	107,149,596	26,515,114	21,203,584	205,029,369	
Investment securities – gross	-	319,364	2,000,000	275,795	650,199	2,600,969	13,946,877	19,793,204	
Long-term investments - gross	-	-	-	-	-	-	2,819,070	2,819,070	
Fixed assets	-	-	-	-	-	-	1,364,327	1,364,327	
Other assets - gross	-	26,949	664,265	496,589	3,142,825	1,301,724	719,490	6,351,842	
Total assets	1,263,073	3,671,633	103,067,030	38,448,532	112,942,620	30,417,807	40,053,348	329,864,043	
Liabilities									
Amounts due to the Government and the SBV	-	-	-	2,113	2,062,370	-	-	2,064,483	
Deposits and borrowings from other CIs	-	-	48,927,481	16,184,833	7,587,034	11,303,445	1,905,075	85,907,868	
Deposits from customers	-	-	32,377,751	40,974,795	88,147,661	7,345,367	547	168,846,121	
Derivative and other financial liabilities	-	-	(28,368)	(149,257)	308,005	173,194	-	303,574	
Valuable papers issued	-	-	500,000	-	26,000,200	3,950,000	-	30,450,200	
Other liabilities	-	-	545,239	667,830	2,718,860	261,136	16,137	4,209,202	
Total liabilities	-	-	82,322,103	57,680,314	126,824,130	23,033,142	1,921,759	291,781,448	
Net liquidity gap	1,263,073	3,671,633	20,744,927	(19,231,782)	(13,881,510)	7,384,665	38,131,589	38,082,595	

As of 31 December 2023 (VND million)	Overdue		Current				Total	
	Up to 3 months	Over 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years		Over 5 years
Assets								
Cash and gold	-	-	851,268	-	-	-	-	851,268
Balances with the SBV	-	-	2,784,593	-	-	-	-	2,784,593
Balances with and loans to other CIs - gross	-	-	47,003,024	3,105,000	2,890,550	-	-	52,998,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	-	-	8,353,236
Loans and advances to customers - gross	1,464,395	3,251,476	11,246,559	11,905,817	81,339,640	51,245,024	15,625,032	176,077,943
Investment securities - gross	319,364	-	42,001	-	320,998	865,315	12,725,177	14,272,855
Long-term investments - gross	-	-	-	-	-	-	2,319,070	2,319,070
Fixed assets	-	-	-	-	-	-	1,265,655	1,265,655
Other assets - gross	-	-	585,558	2,581,458	6,788,064	1,137,713	1,044,302	12,137,095
Total assets	1,783,759	3,251,476	70,866,239	17,592,275	91,339,252	53,248,052	32,979,236	271,060,289
Liabilities								
Amounts due to the Government and the SBV	-	-	439,123	28,361	2,071,153	-	-	2,538,637
Deposits and borrowings from other CIs	-	-	46,917,866	3,338,524	5,117,066	8,127,100	4,852,000	68,352,556
Deposits from customers	-	-	43,630,671	27,662,404	70,200,064	3,731,635	287	145,225,061
Valuable papers issued	-	-	13,061	92,182	4,408	(2,520)	-	107,131
Derivative and other financial liabilities	-	-	-	2,610,200	11,584,700	2,651,200	-	16,846,100
Other liabilities	-	-	1,287,130	797,148	2,454,783	103,144	124,552	4,766,757
Total liabilities	-	-	92,287,851	34,528,819	91,432,174	14,610,559	4,976,839	237,836,242
Net liquidity gap	1,783,759	3,251,476	(21,421,612)	(16,936,544)	(92,922)	38,637,493	28,002,397	33,224,047

VII. Post balance sheet event

1. Transfer of capital contribution in Post and Telecommunication Finance Company Limited

On 22 January 2025, the Board of Directors issued Resolution No. 80/2025/ND-HDQT approving the Bank and Post and Telecommunication Finance Company Limited to sign an agreement on supporting and advising on information technology, customer research and anti-money laundering compliance after the Bank has completed the transfer of its entire capital contribution to the transferee, namely AEON Financial Service Co., Ltd.

On 3 February 2025, the Bank completed the transfer of 100% of its entire capital contribution in Post and Telecommunications Finance Company Limited to the transferee. On 24 January 2024, the State Bank of Vietnam issued Decision No. 164/QD-NHNN amending and supplementing the Establishment and Operating Licence of Post and Telecommunication Finance Company Limited; accordingly, Post and Telecommunication Finance Company Limited is wholly owned by AEON Financial Service Co., Ltd.

2. Shares issuance under the Employee Stock Ownership Plan

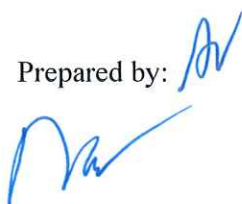
On 13 January 2025, the State Securities Commission issued Notice No. 232/UBCK-QLCB on receipt of sufficient documents on shares issuance under the Employee Stock Ownership Plan in accordance with the contents of the Bank's Issuance Report No. 05/2025/TB-SeABank dated 2 January 2025. On 17 January 2025, the Chairman of the Board of Directors issued Notice No. 56/2025/TB-SeABank on shares issuance under the Employee Stock Ownership Plan No. 56/2025/TB-SeABank. Accordingly, the expected number of shares to be issued is 10 million shares with a par value of VND10,000/share, shares issued under the Employee Stock Ownership Plan are allowed to be transferred at a maximum of 50% after 12 months from the issuance completion date, and at a maximum of 100% after 18 months from the issuance completion date. The payment period for purchasing shares is divided into two installments, the first installment is from 20 January 2025 to 18 February 2025, and the second installment is no later than 26 February 2025.

On 6 March 2025, the State Securities Commission issued Notice No. 69/UBCK-QLCB on receipt of the report on results of the shares issuance under the Employee Stock Ownership Plan according to the Bank's Report on Issuance Results No. 191/2025/BC-SeABank dated 25 February 2025. Accordingly, the Bank has distributed 10,000,000 shares with par value of VND10,000 per share.

VIII. Approve the separate financial statements

The Bank's separate financial statements for the year ended 31 December 2024 are approved by the Board of Management on 10 March 2025.

Prepared by:



Nghiem Thi Thu Nga

10 March 2025

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director