



Southeast Asia Commercial Joint Stock Bank

Consolidated Interim Financial Statements
for the six-month period ended 30 June 2021



Southeast Asia Commercial Joint Stock Bank

Bank Information

Banking Operation Licence No.

0051/QĐ/NH-GP

25 March 1994

The Banking Operation Licence was issued by the State Bank of Vietnam and is valid for 99 years from the date of the Banking Operation Licence. The Banking Operation Licence have been amended several times, the most recent of which is under Decision 2197/QĐ-NHNN dated 24/12/2020 of the State Bank of Vietnam.

Business Registration Certificate No.

0200253985

14 January 2005

The Business Registration Certificate has been amended several times, the most recent of which is the 30th amendment dated 24 December 2020 issued by Hanoi Department of Planning and Investment.

Board of Directors

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. Hoang Minh Tan	Member
Mr. Bui Trung Kien	Member
Ms. Ngo Thi Nhai	Member
Mr. Faussier Loic Michel Marc	Independent Member (from 23 April 2021)

Board of Management

Ms. Le Thu Thuy	General Director
Mr. Le Quoc Long	Standing Deputy General Director
Ms. Nguyen Thi Thu Huong	Deputy General Director
Mr. Nguyen Tuan Cuong	Deputy General Director
Mr. Vu Dinh Khoan	Deputy General Director
Mr. Nguyen Ngoc Quynh	Deputy General Director
Ms. Tran Thi Thanh Thuy	Deputy General Director
Mr. Hoang Manh Phu	Deputy General Director
Ms. Dang Thu Trang	Deputy General Director

Legal Representative

Mr. Le Van Tan

Chairman of Board of Directors

Registered office

No. 25 Tran Hung Dao, Phan Chu Trinh Ward,
Hoan Kiem District, Hanoi
Vietnam

Auditors

KPMG Limited
Việt Nam

Southeast Asia Commercial Joint Stock Bank

Statement of the Board of Management

The Board of Management of Southeast Asia Commercial Joint Stock Bank presents this statement and the accompanying consolidated interim financial statements of the Bank and its subsidiaries (collectively referred to as "SeABank") for the six-month period ended 30 June 2021.

The Board of Management is responsible for the preparation and fair presentation of the accompanying consolidated interim 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 interim financial reporting. In the opinion of the Board of Management:

- (a) the consolidated interim financial statements set out on pages 5 to 69 give a true and fair view of the consolidated financial position of SeABank as at 30 June 2021, and of their consolidated results of operations and their consolidated cash flows for the six-month period 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 interim financial reporting; and
- (b) at the date of this statement, there are no reasons for the Board of Management to believe that the Bank or its subsidiaries 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 consolidated interim financial statements for issue.

On behalf of the Board of Management



Nguyễn Thị Thu Hương
Deputy General Director

Hanoi, 12 August 2021



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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Southeast Asia Commercial Joint Stock Bank

We have reviewed the accompanying consolidated interim financial statements of Southeast Asia Commercial Joint Stock Bank ("the Bank") and its subsidiaries (collectively referred to as "SeABank"), which comprise the consolidated balance sheet as at 30 June 2021, the consolidated statements of income and cash flows for the six-month period then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 12 August 2021, as set out on pages from 5 to 69.

Management's Responsibility

The Bank's Board of Management is responsible for the preparation and fair presentation of these consolidated interim 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 interim financial reporting, and for such internal control as the Bank's Board of Management determines is necessary to enable the preparation of the consolidated interim financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410 - *Review of interim financial information performed by the independent auditor of the entity*.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Auditor's conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view, in all material respects, of the consolidated financial position of Southeast Asia Commercial Joint Stock Bank and its subsidiaries as at 30 June 2021 and of their consolidated results of operations and consolidated cash flows for the six-month period 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 interim financial reporting.

KPMG Limited
Vietnam
Review Report No. 21-02-00142-21-2



Wang Foon Kim
Practicing Auditor Registration
Certificate No. 0557-2018-007-1
Deputy General Director

Pham Thi Thuy Linh
Practicing Auditor Registration
Certificate No. 3065-2019-007-1

Hanoi, **12 -08- 2021**

	Note	30/6/2021 VND million	31/12/2020 VND million
A ASSETS			
I Cash and gold on hand	4	1,095,064	1,012,228
II Balances with the State Bank of Vietnam ("SBV")	5	2,844,601	3,374,359
III Balances with and loans to other credit institutions ("CIs")	6	33,098,224	25,741,179
1 Balances with other CIs		32,244,305	25,641,179
2 Loans to other CIs		853,919	100,000
IV Securities held-for-trading	7	9,149,156	2,693,849
1 Securities held-for-trading		9,204,391	2,705,920
2 Allowance for securities held-for-trading		(55,235)	(12,071)
V Derivatives and other financial assets	8	-	144,604
VI Loans and advances to customers		110,166,955	107,760,914
1 Loans and advances to customers	9	111,578,130	108,869,236
2 Allowance for loans and advances to customers	10	(1,411,175)	(1,108,322)
VIII Investment securities		22,242,526	32,180,304
1 Available-for-sale securities	11(a)	21,936,705	31,901,137
2 Held-to-maturity securities	11(b)	369,364	319,364
3 Allowance for investment securities	12	(63,543)	(40,197)
IX Long-term investments	13	96,812	102,912
4 Other long-term investments		127,009	131,666
5 Allowance for diminution in value of long-term investments		(30,197)	(28,754)
X Fixed assets		867,201	862,487
1 Tangible fixed assets	14	276,285	283,496
a Cost		755,687	739,271
b Accumulated depreciation		(479,402)	(455,775)
3 Intangible fixed assets	15	590,916	578,991
a Cost		767,078	741,512
b Accumulated amortisation		(176,162)	(162,521)
XI Investment property		65,530	240,934
a Cost		70,187	249,060
b Accumulated depreciation		(4,657)	(8,126)
XII Other assets	16	7,308,378	6,093,518
1 Receivables		1,750,946	1,282,827
2 Accrued interest and fee receivables		2,680,026	2,598,213
4 Other assets		2,918,500	2,247,143
In which: Goodwill		516,240	551,843
5 Allowance for other on-balance sheet assets		(41,094)	(34,665)
TOTAL ASSETS		186,934,447	180,207,288

The accompanying notes are an integral part of these consolidated interim financial statements

		Note	30/6/2021 VND million	31/12/2020 VND million
B	LIABILITIES AND OWNERS' EQUITY			
	LIABILITIES			
I	Amounts due to the Government and the SBV	17	190,419	205,702
II	Deposits and borrowings from other CIs	18	52,062,705	42,516,673
1	Deposits from other CIs		39,565,591	25,388,472
2	Borrowings from other CIs		12,497,114	17,128,201
III	Deposits from customers	19	107,983,872	113,276,597
IV	Derivatives and other financial liabilities	8	27,721	-
V	Other borrowed and entrusted funds		1,020	1,020
VI	Valuable papers issued	20	8,180,010	7,064,740
VII	Other liabilities	21	3,609,518	3,472,178
1	Accrued interest and fee payables		3,006,283	3,065,150
3	Other liabilities		603,235	407,028
	TOTAL LIABILITIES		172,055,265	166,536,910
	OWNERS' EQUITY			
VIII	Capital and reserves	22	14,879,182	13,670,378
1	Capital		12,087,442	12,087,442
a	Charter capital		12,087,442	12,087,442
2	Reserves		456,110	456,110
3	Foreign exchange differences		(10,393)	-
5	Retained earnings		2,346,023	1,126,826
	TOTAL OWNERS' EQUITY		14,879,182	13,670,378
	TOTAL LIABILITIES AND OWNERS' EQUITY		186,934,447	180,207,288

The accompanying notes are an integral part of these consolidated interim financial statements

	Note	30/6/2021 VND million	31/12/2020 VND million
OFF-BALANCE SHEET ITEMS			
I CONTINGENT LIABILITIES AND OTHER COMMITMENTS	33		
1 Loan guarantees		-	-
2 Foreign exchange commitments			
Foreign currency purchase commitments		2,320,885	541,303
Foreign currency sale commitments		2,767,174	447,726
Currency swaps - Purchase commitments		55,090,937	30,139,120
Currency swaps - Sale commitments		36,666,751	23,652,400
3 Letters of credit		1,102,977	657,643
4 Other guarantees		3,367,168	2,567,945
6 Interest rate swaps		9,503,370	9,805,803

12 August 2021

Prepared by:



Nghiem Thi Thu Nga
Preparer

Approved by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

	Note	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
1 Interest and similar income	24	5,967,242	5,272,623
2 Interest and similar expenses	25	(3,536,840)	(3,934,557)
I Net interest income		2,430,402	1,338,066
3 Fee and commission income		737,537	229,349
4 Fee and commission expenses		(268,354)	(78,547)
II Net fee and commission income	26	469,183	150,802
III Net gain from trading of foreign currencies	27	93,832	11,585
IV Net (loss)/gain from trading securities	28	(24,140)	23,034
V Net gain from investment securities	29	128,964	140,908
5 Other income		215,202	552,242
6 Other expenses		(117,196)	(214,112)
VI Net other income	30	98,006	338,130
VII Income from capital contribution, share purchase	31	2,778	599
VIII Operating expenses	32	(1,224,692)	(1,043,819)
IX Net operating profit before allowance expenses		1,974,333	959,305
X Allowance expenses for credit losses		(417,965)	(290,206)
XI Profit before tax		1,556,368	669,099
7 Income tax expenses - current		(317,995)	(153,252)
XII Income tax expense	34	(317,995)	(153,252)
XIII Net profit after tax		1,238,373	515,847
XV Basic earnings per share (VND/share)	35	1,009	451

12 August 2021

Prepared by:



Nghiem Thi Thu Nga
Preparer

Approved 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 consolidated interim financial statements

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
CASH FLOWS FROM OPERATING ACTIVITIES		
01 Interest and similar income received	5,885,429	5,137,496
02 Interest and similar expenses paid	(3,595,707)	(3,909,242)
03 Net fees and commission income received	468,514	150,671
04 Net receipts from trading activities (foreign currencies, gold and securities)	265,167	169,914
05 Other income	64,180	321,719
06 Proceeds from bad debts previously written off	33,826	16,502
07 Payments for salary and operating expenses	(1,185,122)	(1,011,327)
08 Corporate income tax paid during the period	(257,145)	(169,740)
Cash flows from operating activities before changes in operating assets and liabilities	1,679,142	705,993
Changes in operating assets		
09 (Decrease)/increase in balances with and loans to other CIs	(753,919)	1,160,458
10 Decrease/(increase) in securities held-for-trading	3,415,961	(5,336,546)
11 Decrease/(increase) in derivatives and other financial assets	172,325	(198,220)
12 (Decrease)/increase in loans and advances to customers	(2,708,894)	610,129
13 Utilisation of allowance	(115,113)	(414,461)
14 Other increase in other operating assets	(1,162,615)	(178,264)
Changes in operating liabilities		
15 Decrease in amounts due to the Government and SBV	(15,283)	(14,030)
16 Increase in deposits and borrowings from other CIs	9,546,032	4,615,205
17 (Decrease)/increase in deposits from customers	(5,292,725)	4,506,347
18 Increase/(decrease) in valuable papers issued	1,115,270	(5,885,670)
20 Other increase in other operating liabilities	135,356	415,098
I NET CASH FLOWS FROM OPERATING ACTIVITIES	6,015,537	(13,961)

The accompanying notes are an integral part of these consolidated interim financial statements

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
CASH FLOWS FROM INVESTING ACTIVITIES		
01 Purchase of fixed assets	(42,320)	(53,790)
04 Purchase of investment property	(6,517)	(2)
05 Proceeds from sales, disposals of investment property	182,069	322
07 Payments for investments in other entities	-	(1,300)
08 Collections on investments in other entities	6,543	8,512
09 Dividends and profit received from long-term investments	892	599
II NET CASH FLOWS FROM INVESTING ACTIVITIES	140,667	(45,659)
IV NET CASH FLOWS DURING THE PERIOD	6,156,204	(59,620)
V CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	30,027,766	28,657,098
VII CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD (Note 36)	36,183,970	28,597,478

12 August 2021

Prepared by:



Nghiem Thi Thu Nga
Preparer

Approved by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

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

1. Reporting entity

(a) 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 Bank was established pursuant to Banking Operation License No. 0051/QD/GP-NHNN issued by the Governor of the State Bank of Vietnam on 25 March 1994. The operation period according to the Banking Operation Licence is 99 years from 25 March 1994.

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 and cash services and other banking services as approved by SBV; making capital contributions, purchasing shares, investment in bonds and trading foreign currencies in accordance with the law.

(b) Charter capital

As at 30 June 2021, the Bank’s charter capital was VND12,087,442 million (31/12/2020: VND12,087,442 million). The Bank issued 1,208,744,208 ordinary shares with the par value of VND10,000 per share.

(c) Location and network

The Bank’s Head Office is located at No. 25 Tran Hung Dao, Phan Chu Trinh Ward, Hoan Kiem District, Hanoi, Vietnam. As at 30 June 2021, the Bank had one (01) Head Office, one (01) representative office, forty four (44) branches, one hundred and twenty nine (129) transaction offices nationwide and two (2) subsidiaries (31/12/2020: Bank had one (01) Head Office, one (01) representative office, forty four (44) branches, one hundred and twenty nine (129) transaction offices nationwide and two (2) subsidiaries).

At the reporting date, the Bank has two (02) subsidiaries as follows:

Company name	Operation License No.	Business sector	% owned by the Bank
SeABank Asset Management Company Limited	01040044839 dated 16 December 2008 issued by Hanoi Planning and Investment Department and No. 0103099985 reissued on 10 March 2011	Debt and asset management	100%
Post and Telecommunication Finance Company Limited	96/GP-NHNN dated 28 September 2018 and amended under Decision 2284/QD-NHNN dated 31 December 2020 of the Governor of the State Bank of Vietnam	Consumer finance	100%

(d) Total number of employees

As at 30 June 2021, SeABank had 4,536 employees (31/12/2020: 4,803 employees).

2. Basis of preparation

(a) Statement of compliance

The consolidated interim 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 interim financial reporting. These standards and statutory requirements may differ in some material respects from International Financial Reporting Standards, generally accepted accounting principles and standards of other countries. Accordingly, the accompanying consolidated interim financial statements are not intended to present SeABank's consolidated financial position, consolidated results of operations and consolidated 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 Vietnam's accounting principles, procedures and practices for credit institutions.

(b) Basis of measurement

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

(c) Accounting period

The annual accounting period of SeABank is from 1 January to 31 December. These consolidated interim financial statements of SeABank have been prepared for the six-month period ended 30 June 2021.

(d) Accounting currency

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

3. Summary of significant accounting policies

The following significant accounting policies have been adopted by SeABank in the preparation of these consolidated interim financial statements.

The accounting policies that have been adopted by SeABank in the preparation of these consolidated interim financial statements are consistent with those adopted in the preparation of the latest annual consolidated financial statements.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Bank. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

(ii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions, are eliminated in preparing the consolidated financial statements. The accounting policies of subsidiaries have been also revised when necessary to ensure consistency with the accounting policies applied by the Bank.

(iii) Business combination

Business combinations are accounted for using the acquisition method as at the acquisition date, which is the date on which control is transferred to the Bank. Control exists when the Bank has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account.

(iv) Goodwill

Goodwill arises from the acquisition of subsidiaries, associates and joint ventures. Goodwill is measured at cost less accumulated amortisation. Cost of goodwill represents the excess of the cost of the acquisition over SeABank's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree.

Goodwill arising from the acquisition of subsidiaries is amortised on a straight-line basis over 10 years. Carrying value of goodwill arising is written down to recoverable amount as management determines that it is not fully recoverable.

(b) Foreign currency

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 (gold is converted at the average selling and buying rate) of SeABank at the end of the last working day of the accounting period if the difference between this rate and the weighted average buying and selling rate of the last working day of the accounting period is less than 1% (refer to Note 43(b) for details of foreign exchange rates as at 30 June 2021). If the difference between the average exchange rate for spot selling and buying at the end of the last working day of the accounting period and the weighted average buying and selling rate of the last working day of the accounting period is 1% or more, SeABank shall use the weighted average buying and selling rate of the last working day of the accounting period.

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

Income and expense in foreign currencies are translated into VND using the 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 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 consolidated statement of income.

(c) Cash and cash equivalents

Cash and cash equivalents include cash on hand, gold on hand, balances with SBV, Government treasury bills and other short-term valuable papers which are eligible for rediscount with SBV, balances with other CIs without a term and with original terms to maturity of less than three months and securities with recovery or maturity period not exceeding three months from the acquisition date.

(d) Balances with and loans to other credit institutions

Balances with other CIs, except for current deposits, are deposits at other CIs with original terms of not exceeding three months. Loans to other CIs are loans with original terms to maturity of less than one year.

Term deposits at and loans to other CIs are stated at the amount of outstanding principal less allowance for credit risks.

Credit risk classification of balances with and loans to other CIs and allowance thereof is made in accordance with Circular No. 02/2013/TT-NHNN dated 21 January 2013 of the State Bank of Vietnam on classification of assets, level and method of allowance making, and use of allowance against credit risks in banking activities of credit institutions and foreign banks' branches ("Circular 02") and Circular No. 09/2014/TT-NHNN dated 18 March 2014 of SBV amending and supplementing certain articles of Circular 02 ("Circular 09"), effective from 1 June 2014. Accordingly, SeABank has provided specific allowance for balances with and loans to other CIs in accordance with the method described in Note 3(h).

According to Circular 02, SeABank is not required to make general allowance for balances with and loans to other CIs.

(e) Securities held-for-trading and investment securities

(i) Classification

Securities held-for-trading are debt securities which are acquired principally for the purpose of selling them in the near term or there is evidence of a recent pattern of short-term profit-taking.

Investment securities include available-for-sale investment securities and held-to-maturity investment securities. Available-for-sale investment securities are debt securities, which are held for an indefinite period and may be sold at any time. Held-to-maturity investment securities are debt securities with fixed maturities and fixed or determinable payments, where SeABank has the positive intention and ability to hold until maturity.

SeABank 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 SBV, SeABank is allowed to reclassify investment securities for a maximum of one time after initial recognition at the date of acquisition.

(ii) **Recognition**

SeABank recognises securities held-for-trading and investment securities on the date that SeABank becomes a party under purchase contracts for these securities (transaction-based accounting).

(iii) **Measurement**

Debt securities

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

For debt investment securities, SeABank initially records at cost including transaction costs and other directly attributable costs. They are subsequently recognised at amortised cost (affected by premium/discount amortisation) less allowance for risks of investment securities, including allowance for diminution in value of securities and allowance for risk of unlisted bonds. Premium and discounts arising from purchases of debt securities are amortised to the consolidated statement of income 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 Government bonds, local government bonds, debt securities issued by other local credit institutions the actual bond price on the market is the latest trading price at the Stock Exchange within 10 days to the balance sheet date. If there is no transaction within 10 days to the balance sheet date, SeABank will not make additional allowance or reverse allowance for these investments.

For debt securities of enterprises that have neither been listed in the stock market nor registered for trading in the market of unlisted public companies, SeABank provides allowance for credit risk of such securities in accordance with the accounting policy applicable to loans and advances to customers as described in Note 3(h).

The 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. A 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 from debt securities and equity securities after the acquisition date is recognised in the consolidated statement of income when the income is received. Accrued interest receivable account of the pre-acquisition accumulated interest income of SeABank will be reduced upon receipt.

Equity securities

Equity securities are initially recorded at cost including purchase cost plus other directly attributable costs such as brokerage fees, transaction fees, information fees and bank charges (if any). They are subsequently measured at the lower of book value and the actual market price with the allowance expenses recognised in the consolidated statement of income.

For listed securities, the actual market price of securities is the closing bid price at the latest trading date prior to the end of the accounting period. If the listed securities are not traded in 30 days before making allowances or the listed securities are cancelled or suspended from trading on the date of making allowances, allowances for each investment in equity securities are determined as those for other investments specified in Note 3(f)(ii).

For securities which have been registered for trading in the market of unlisted public companies and state-owned enterprises equitized through public offering ("UpCom"), the actual market price is the average price within the last 30 transaction days prior to the end of the accounting period announced by the Stock Exchange. If the securities of a joint-stock company registered for trading in the Upcom are not traded in 30 days prior to the end of the annual accounting period, allowances for each investment in equity securities are determined as those for other investments specified in Note 3(f)(ii).

For unlisted, unregistered equity securities, allowances for each investment in securities held for trading are determined as those for other investments specified in accordance with Note 3(f)(ii).

If there is no information that is reliably determined to make allowances for investment Note 3(f)(ii) SeABank shall not make allowances for such investments.

(iv) De-recognition

SeABank derecognises securities held-for-trading 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.

(f) Long-term investments

(i) 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.

(ii) 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, except when the loss was anticipated in the initial business plan before the date of investment. 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 SeABank's ownership percentage in the investee.

The allowance is reversed if the recoverable amounts are subsequently increased after the allowance was recognised. A 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.

(g) 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 no more than 1 year from the loan disbursement date. Medium-term loans are those with maturity term between 1 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.

SeABank 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 02 and Circular 09 as described in Note 3(h).

(h) Debt classification and the rate and method of making allowance for credit losses

(i) Debt classification

Classification of deposits with and loans to other CIs (excluding current deposits), purchases and entrustment to purchase of unlisted corporate bonds, loans and advances to customers, and entrusted extension of credit (collectively referred to as “debts”), loans already sold but payments not yet collected, is implemented using the method based on the quantitative element as stipulated in Article 10 of Circular 02.

(ii) Specific allowance for credit losses

According to Circular 02 and Circular 09, SeABank determines specific allowance for credit risks based on the allowance rates corresponding to debt classification results and debts principals balance less the discounted value of collateral assets.

Specific allowance is provided for each quarter based on the balance of debts to each customer as at the end of the last working day of the preceding quarter less discounted value of collateral assets. For the last quarter of the annual accounting period, the balance of debts shall be the amount as at the last working day of the second month of the last quarter of the annual accounting period.

The rates of specific allowance for specific debt groups are as follows:

<i>Debt group</i>		<i>Overdue status</i>	<i>Rate of allowance</i>
1	Current	(a) Current debts that being assessed as fully and timely recoverable, both principals and interests; or (b) Debts which are overdue for a period of less than 10 days and being assessed as fully recoverable, both overdue principals and interests, and fully and timely recoverable, both remaining principals and interests.	0%
2	Special mention	(a) Debts which are overdue for a period of between 10 days and 90 days; or (b) Debts which are restructured repayment term for the first time.	5%
3	Sub-standard	(a) Debts which are overdue for a period of between 91 days and 180 days; or (b) Debts which are extended repayment term for the first time; or (c) Debts which are exempted or reduced interests because customers are not sufficient capability to pay all interests under credit contracts; or (d) Debts in one of the following circumstances which remain unrecovered during a period of 30 days after the date of the recovery decision: <ul style="list-style-type: none"> • Debts in breach of clauses 1, 3, 4, 5 or 6 of Article 126 of the Law on CIs; • Debts in breach of clauses 1, 2, 3 or 4 of Article 127 of the Law on CIs; • Debts in breach of clauses 1, 2 or 5 of Article 128 of the Law on CIs; or (e) Debts which are recovered under inspection conclusions.	20%
4	Doubtful	(a) Debts which are overdue for a period of between 181 days and 360 days; or (b) Debts which are restructured repayment term for the first time but still overdue for a period of less than 90 days under that restructured repayment term; or (c) Debts which are restructured repayment term for the second time; or (d) Debts which are specified in point (d) of debt Group 3 have not been recoverable for a period of between 30 days and 60 days after decisions on recovery have been issued; or (e) Debts which must be recovered under inspection conclusions but fail to be repaid although recovery term was overdue from 60 days ago.	50%
5	Loss	(a) Debts which are overdue for a period of more than 360 days; or (b) Debts which are restructured repayment term for the first time but still overdue for a period of 90 days or more than under that first restructured repayment term; or (c) Debts which are restructured repayment term for the second time but still overdue under that second restructured repayment term; or (d) Debts which are restructured repayment term for the third time or more, whether debts are overdue or not; or (e) Debts which are specified in point (d) of debt Group 3 have not been recoverable for a period of more than 60 days after decisions on recovery have been issued; or (f) Debts which must be recovered under inspection conclusions but fail to be repaid although recovery term was overdue for more than 60 days; or (g) Debts of customers being CIs which are announced by SBV to place in special control status, or foreign bank branches of which capital and assets are blockaded.	100%

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

- Group 3 - Sub-standard debts: overdue for less than 30 days;
- Group 4 - Doubtful debts: overdue for between 30 days and less than 90 days;
- Group 5 - Loss debts: overdue for 90 days or more.

In case where a customer has more than one debt with SeABank, if a debt is reclassified to a higher risk group, SeABank is required to reclassify the other debts of that customers to that higher risk loan group.

When SeABank participates in a syndicated loan to a customer not as a lead bank, SeABank classifies debts (including the syndicated loan) of the customer to a higher risk group of the risk assessment made by the lead bank and made by SeABank.

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

Since 13 March 2020, SeABank has applied Circular No. 01/2020/TT-NHNN ("Circular 01") issued by the SBV providing regulations on restructuring of debt repayment periods, exemption/reduction of interest/fees and keeping debt groups unchanged to assist customers affected by the Covid-19 pandemic of CIs, foreign bank branches. Accordingly, for customers incurred obligations of debt principal repayments and/or interest payments during the period from 23 January 2020 to the succeeding day of the date after three months from the Government's announcement of the termination of Covid-19 pandemic and these customers are unable to repay loan principles or to pay interest upon maturity of the signed loan contracts or agreements due to decreases in revenue and income caused by effect of the Covid-19 pandemic, SeABank is allowed to reschedule debt repayment periods, exemption/reduction of interest/fees and debts groups are kept unchanged from those classified at the most recent date prior to 23 January 2020.

Since 17 May 2021, SeABank has applied Circular No. 03/2021/TT-NHNN ("Circular 03") dated 2 April 2021 issued by the SBV amending and supplementing a number of articles of Circular 01. Accordingly, for customers whose debts:

- Are incurred before 10 June 2020 and incurred obligations of debt principal repayments and/or interest payments during the period from 23 January 2020 to 31 December 2021; or
- Which have been rescheduled are undue or up to 10 (ten) days overdue from the due date, or are incurred before 23 January 2020 and becomes overdue during the period from 23 January 2020 to 29 March 2020, or are incurred from 23 January 2020 and becomes overdue before 17 May 2021;

And these customers are unable to repay the principal and/or interest on schedule under the agreement due to decrease in revenue or income caused by Covid-19 pandemic, SeABank is allowed to reschedule debt repayment periods and keep debt groups unchanged from those classified at the most recent date prior to 23 January 2020. SeABank makes specific allowance for all outstanding loans which debt groups are kept unchanged in accordance with Article 1 of Circular 03, in particular, the amount of additional specific allowance is the difference between specific allowance made for all the outstanding debt balance of customers in case of no debt restructuring and specific allowance made for outstanding balance of restructured debts of customers affected by Covid-19 pandemic. The allowance rate shall be at least 30% of the additional specific allowance by 31 December 2021 and, increased to at least 60% and 100% at the end of 2022 and 2023, respectively.

Those collaterals that are movable assets, immovable assets and those collaterals that are not gold bars, government securities listed in the Stock Exchanges, securities issued by enterprises or other credit institutions valued at VND50 billion or more in respect of the debts of customers that are related persons of SeABank and other persons under Article 127 of the Law on Credit Institutions; and those collaterals that are valued at VND200 billion or more, shall be evaluated by professional valuers. For other cases, collaterals are valued in accordance with SeABank's internal regulations and procedures. For collateral assets which fail to fully meet conditions specified in Clause 3, Article 12 of Circular 02, their discounted value must be considered as zero.

The maximum discount rates for collateral assets are determined as follows:

Types of collateral assets	Discount rates
Deposits from customers in VND	100%
Gold bars, except for gold bars as described in item (i) deposits from customers in foreign currencies	95%
Government bonds, transferable instruments, valuable papers issued by the SeABank, saving deposit certificates, certificates of deposit, bills and notes issued by other credit institutions or foreign bank branches:	
▪ With a remaining term of below 1 year	95%
▪ With a remaining term of between 1 year to 5 years	85%
▪ With a remaining term of over 5 years	80%
Securities issued by other credit institutions and listed on a stock exchange	70%
Securities issued by other enterprises and listed on a stock exchange	65%
Unlisted securities and valuable papers issued by enterprises registered for listing on a stock exchange	30%
Unlisted securities and valuable papers issued by enterprises not registered for listing on a stock exchange	10%
Real estates	50%
Gold bars not having quoted price, other types of gold and other collateral assets	30%

(iii) General allowance for credit risks

According to Circular 02, general allowance is also required at the rate of 0.75% of total balance of debts, except for the balances with and loans to other CIs and the debts classified into the Loss group.

The general allowance for the six month period ended at 30 June is calculated based on the result of debt classification and the outstanding principal amount at the last working day of the preceding quarter.

(iv) **Write-off of bad debts**

According to Circular 02 and Circular 09, loans and advances to customers are written off against the allowance when loans and advances to customers 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).

(v) **Off-balance sheet commitments**

According to Circular 02 and Circular 09, 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 SeABank 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 3(h).

(i) **Derivative financial instruments**

(i) **Currency forward and swap contracts**

SeABank involves in currency forward contracts and currency swap contracts to facilitate customers to transfer, adjust or mitigate foreign exchange risks and also for the business purposes of SeABank.

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 consolidated balance sheet. Differences upon revaluation at the end of the period are recognised as "Foreign exchange differences" on the consolidated balance sheet and are fully transferred to the consolidated 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 consolidated statement of income on a straight-line basis over the term of the contracts.

The currency swap contracts are commitments to buy and sell the same amount of foreign currency with VND or with a different foreign currency with the same party where the settlement dates of two transactions are different and the exchange rate of the two transactions are determined at the transaction date. A currency swap may consist of two spot transactions, two forward transactions or one spot transaction and one forward transaction. Swaps for foreign currencies and VND must have at least one forward transaction. Premiums/discounts arising from the difference of the spot exchange rate at the effective date of the contracts and the forward exchange rate will be recognised immediately on the effective date of the contracts as an asset if they are positive or as a liability if they are negative in the separate balance sheet. This difference is amortised to the consolidated statement of income on a straight-line basis over the term of the swap contracts.

Foreign currency option contracts are a transaction where a customer gives SeABank an option purchase price to sell the right to allow the customer to buy or sell an amount of foreign currency in the future at the exchange rate determined at trading date. Accordingly, customers have the right but no obligation to perform the committed purchase and sale transaction. Commitment value are recorded on off-balance sheet account in "Option trading commitment". Buying option price is recognized in the consolidated statement of income on the transaction date.

(ii) **Interest rate swap contracts**

The swap contracts are commitments to pay interest at a floating rate or a fixed rate charged on one notional principal amount. The value of the notional principal amount in interest rate swap contracts per currency is recognized in the off-balance sheet account under item "Interest rate swap commitment". The income and expenses arising on the notional principal amount are recognised in the consolidated statement of income on an accrual basis.

For cross currency interest rate swaps to exchange principals denominated in two different currencies which are exchanged at the effective date, the contract value is recognised on the consolidated balance sheet. Income earned and expenses incurred are recognised on an accrual basis.

For cross currency interest rate swaps to exchange principals denominated in two different currencies which are not exchanged at the effective date, the contract value is recognised on the consolidated balance sheet for in the same manner with the contract value of currency forward contracts. These contracts are 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.

(j) **Tangible fixed assets**

(i) **Cost**

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

(ii) **Depreciation**

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

▪ buildings and structures	25 years
▪ machines and equipment	5 - 15 years
▪ means of transportation	6 - 10 years
▪ office equipment	5 - 8 years
▪ others	4 - 7 years

(k) **Intangible fixed assets**

(i) **Software**

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

(ii) **Land use rights**

Land use rights are stated at cost less accumulated amortisation. The initial cost of definite land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Definite land use rights are amortised on a straight-line basis over lease term or useful lives.

(l) **Investment property**

Cost

Investment property held to earn rental is stated at cost less accumulated depreciation. The initial cost of an investment property held to earn rental comprises its purchase price, cost of land use rights and any directly attributable expenditures of bringing the property to the condition necessary for it to be capable of operating in the manner intended by management. Expenditure incurred after the investment property held to earn rental has been put into operation, such as repairs and maintenance, is charged to the consolidated statement of income in the period in which the expenditure is incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in future economic benefits in excess of the originally assessed standard of performance of the existing investment property held to earn rental, the expenditure is capitalised as an additional cost of the investment property.

Depreciation

Depreciation is computed on a straight-line basis over a period ranging from 10 to 20 years.

(m) **Other assets**

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

For other assets that are not classified as credit risk assets and are overdue, allowance are 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 period.

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%

(n) **Deposits from customers**

Deposits from customers are stated at cost.

(o) **Valuable papers issued**

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

(p) **Other payables**

Other payables are stated at cost.

(q) **Share capital**

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity.

(r) **Reserves and funds**

(i) *Reserves and funds of the Bank*

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

	Annual allocation	Maximum balance
Reserve to supplement charter capital	5% of profit after tax	100% 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 allocated from profit after tax (unconsolidated). The allocation from profit after tax to these funds is approved by the shareholders in the Annual General Meeting. Other equity funds are not required by law and are fully distributable.

(ii) **Reserves and funds of the subsidiaries**

SeABank Asset Management Company Limited

According to Circular No. 27/2002/TT-BTC dated 22 March 2002 of the Ministry of Finance, the appropriation to reserves by the subsidiary is made in a similar way to the Bank.

Post and Telecommunication Finance Company Limited

According to Decree No. 93/2017/ND-CP, the subsidiary is required to make the following reserves before distribution of profits:

	Annual allocation	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

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.

(s) **Revenue**

(i) **Interest income**

Interest income is recognised in the consolidated statement of income on an accrual basis, except for interest on debts classified in Group 2 to Group 5 as defined in Note 3(h) and debts classified in Current debts as a result of implementation of rulings of the State authorities which are recognised upon receipt. Interest receivable on these loans will be derecognised and recorded as off-balance sheet items. Interest on these debts are recognised in the consolidated statement of income upon receipt.

(ii) **Fee and commission income**

Fee and commission income is recognised in the consolidated statement of income upon completion of the services rendered.

(iii) **Income from investing activities**

Income from trading of securities is determined based on the differences between selling price and weighted average cost of securities.

Dividend income in the form of cash is recognised in the consolidated statement of income when SeABank'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 consolidated statement of income. When share dividends are received, SeABank only recognises an increase in the number of shares in the notes to the consolidated financial statements.

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

(t) Interest expenses

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

(u) Fee and commission expenses

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

(v) Operating lease payments

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

(w) Taxation

Income tax on the profit for the period comprises current and deferred tax. Income tax is recognised in the consolidated statement of income.

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

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

(x) Related parties

Related parties of SeABank include:

- Management or members of the Supervisory Board of SeABank;
- Individuals, organisations that hold at least 5% of charter capital or share capital with voting rights of SeABank;
- Wives, husbands, parents, children, siblings of managers or members of the Supervisory Board, capital contributors or shareholders who hold at least 5% of charter capital or share capital with voting rights of SeABank;
- Enterprises held directly or indirectly by such individuals hold an important part of voting rights or through this person, this person may significantly influence the enterprises. This case includes businesses owned by SeABank's leaders or key shareholders and those businesses that have a key managing member with SeABank;
- Representatives for SeABank's paid-in capital and shares SeABank.

(y) Basic earnings per share

SeABank presents basic and diluted earnings per share ("EPS") for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to the ordinary shareholders of SeABank by the weighted average number of ordinary shares outstanding during the period.

Diluted earnings per share are determined by adjusting the common shareholder gains or losses and the average number of ordinary shares outstanding, taking into account the effects of the potential ordinary share, including convertible bonds and stock options. As at 30 June 2021 and for the six-month period then ended, SeABank does not have potential ordinary shares, therefore, the presentation of earnings per share is not applicable.

(z) Segment reporting

A segment is a distinguishable component of SeABank that is engaged either in providing related products or services (business segment), or in providing products or services within a particular economic environment (geographical segment), which is subject to risks and rewards that are different from those of other segments. SeABank's primary format for segment reporting is based on business segments.

(aa) Commitments and contingent liabilities

At any point of time, SeABank has outstanding credit commitments. These commitments are approved and unutilised loans and overdraft facilities. SeABank 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 expected future cash flows.

(bb) Nil balances

Items or balances required by Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 (“Decision 16”) of SBV’s Governor promulgating the regulation on financial reporting regime applicable to CIs and Circular No. 49/2014/TT-NHNN dated 31 December 2014 (“Circular 49”) of SBV’s Governor on amending and supplementing a number of articles of the regulation on financial reporting regime applicable to CIs accompanying Decision 16, Decision No. 479/2004/QĐ-NHNN dated 29 April 2004 and the chart of accounts of CIs accompanying the Decision that are not shown in these consolidated financial statements indicate nil balances.

(cc) Financial instruments

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

(i) 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 considered by management as held-for-trading. A financial asset is classified as held-for-trading if it 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 SeABank 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 SeABank has the positive intention and ability to hold to maturity, other than:

- financial assets that, upon initial recognition, were categorised by SeABank as financial assets at fair value through profit or loss;
- financial assets already categorised by SeABank 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 SeABank 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 SeABank, upon initial recognition, designates as available-for-sale; or

- for which SeABank 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.

(ii) 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. 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 SeABank 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.

4. Cash and gold on hand

	30/6/2021 VND million	31/12/2020 VND million
Cash on hand in VND	789,846	720,715
Cash on hand in foreign currencies	305,011	291,306
Gold	207	207
	1,095,064	1,012,228

5. Balances with the SBV

	30/6/2021 VND million	31/12/2020 VND million
Balances with the SBV in VND	2,522,054	2,062,314
Balances with the SBV in foreign currencies	297,547	1,287,045
Guarantee deposit	25,000	25,000
	<u>2,844,601</u>	<u>3,374,359</u>

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 CRR rates multiplied by the preceding month's average balances of deposits of individual and corporate customers in scope.

CRR rates at the end of reporting periods were as follows:

Deposits in scope

	CRR rates	
	30/6/2021	31/12/2020
▪ 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%

6. Balances with and loans to other CIs

	30/6/2021 VND million	31/12/2020 VND million
Current accounts		
Current accounts in VND	9,038,036	50,126
Current accounts in foreign currencies	448,119	679,963
Term deposits		
Term deposits in VND	22,413,300	21,964,690
Term deposits in foreign currencies	344,850	2,946,400
	<u>32,244,305</u>	<u>25,641,179</u>
Loans to other CIs		
Loans to other CIs in VND	853,919	100,000
	<u>33,098,224</u>	<u>25,741,179</u>

As at 30 June 2021 and 31 December 2020, all term deposits with and loans to other credit institutions were Group 1 - Current loans.

Period-end/Year-end annual interest rates were as follows:

	30/6/2021 % per annum	31/12/2020 % per annum
▪ Term deposits in VND	1.1% - 1.9%	0.12% - 1.50%
▪ Term deposits in foreign currencies	0.25% - 0.70%	0.25% - 0.70%
▪ Loans in VND	0.25% - 1.95%	1.50%

7. Securities held for trading

	30/6/2021 VND million	31/12/2020 VND million
Debt securities		
Bonds issued by the Government	1,119,518	1,296,581
Bonds issued by local CIs	2,117,255	659,570
Bonds issued by local economic entities	5,964,241	727,508
	9,201,014	2,683,659
Equity securities		
Securities issued by local economic entities	3,377	22,261
	9,204,391	2,705,920
Allowance for securities held for trading		
General allowance for unlisted corporate bonds	(29,345)	(4,765)
Allowance for diminution in value of securities held for trading	(25,890)	(7,306)
	(55,235)	(12,071)
	9,149,156	2,693,849

Listing status at the end of the period/year were as follows:

	30/6/2021 VND million	31/12/2020 VND million
Listed	1,122,896	1,619,482

8. Derivatives and other financial assets

Details of financial derivatives at the end of the period/year were as follows:

	As at 30 June 2021		As at 31 December 2020	
	Total contract nominal value (at exchange rate as of the effective date of the contract)	Total carrying value (at exchange rate as of reporting date)	Total contract nominal value (at exchange rate as of the effective date of the contract)	Total carrying value (at exchange rate as of reporting date)
	VND million	Assets VND million	VND million	Assets VND million
Currency forward contracts	31,499,275	98,283	33,847,379	45,006
Interest rate forward contracts	43,764	6	6,391	(11)
Currency swap contracts	84,072,640	(163,280)	47,238,782	99,584
Interest rate swap contracts	4,175,470	37,270	4,304,914	25
	119,791,149	(27,721)	85,397,466	144,604

9. Loans to customers

	30/6/2021 VND million	31/12/2020 VND million
Loans to local economic entities and individuals	111,174,456	108,463,097
Payments on behalf of customers	6,831	-
Loans to foreign economic entities and individuals	396,843	406,139
	111,578,130	108,869,236

Loan portfolio by loan groups was as follows:

	30/6/2021 VND million	31/12/2020 VND million
Group 1 - Current	109,452,885	106,725,902
Group 2 - Special mention	161,293	120,861
Group 3 - Sub-standard	224,181	306,776
Group 4 - Doubtful	380,316	380,914
Group 5 - Loss	1,359,455	1,334,783
	111,578,130	108,869,236

Debt classification is done in accordance with the accounting policy described in Note 3(h)(i).

Loan portfolio by term was as follows:

	30/6/2021 VND million	31/12/2020 VND million
Short-term loan	52,372,378	53,146,830
Medium-term loan	33,137,226	30,973,169
Long-term loan	26,068,526	24,749,237
	111,578,130	108,869,236

Loan portfolio by customer type and ownership was as follows:

	30/6/2021 VND million	%	31/12/2020 VND million	%
Loans to economic entities				
State-owned companies	1,492,965	1.34	1,517,713	1.39
Limited liability companies	40,121,981	35.96	37,024,433	34.01
Joint stock companies in which the State's holding percentage is more than 50% (dominating percentage)	1,845,030	1.65	508,317	0.47
Other joint stock companies	46,475,533	41.65	45,672,113	41.95
Partnerships	12,151	0.01	18,052	0.02
Private companies	101,589	0.09	118,876	0.11
Foreign invested enterprises	475,532	0.43	443,275	0.41
Cooperatives, cooperative unions	23,542	0.02	44,432	0.04
Loans to individuals				
Household business, individuals	21,024,037	18.84	23,366,417	21.46
Other loans				
Other economic sectors	5,770	0.01	155,608	0.14
	111,578,130	100.00	108,869,236	100.00

Loan portfolio by currency

	30/6/2021 VND million	31/12/2020 VND million
Loans in VND	109,151,294	106,438,139
Loans in foreign currencies	2,426,836	2,431,097
	111,578,130	108,869,236

Period-end/Year-end annual interest rates were as follows:

	30/06/2021	31/12/2020
Loans in VND	3.68% - 12.5%	3.7% - 13.24%
Loans in foreign currencies	2.5% - 3.64%	2.5% - 4.5%

10. Allowance for loans to customers

Allowance for loans to customers consists of:

	30/6/2021 VND million	31/12/2020 VND million
General allowance (i)	824,449	742,708
Specific allowance (ii)	586,726	365,614
	<u>1,411,175</u>	<u>1,108,322</u>

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

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Opening balance	742,708	709,916
Allowance made during the period	81,741	8,135
Closing balance	<u>824,449</u>	<u>718,051</u>

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

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Opening balance	365,614	419,561
Allowance made during the period	336,225	282,073
Utilisation of allowance	(115,113)	(414,463)
Closing balance	<u>586,726</u>	<u>287,171</u>

11. Investment securities

(a) Available-for-sale securities

	30/6/2021 VND million	31/12/2020 VND million
Debt securities		
▪ Bonds issued by the Government	11,154,555	20,800,896
▪ Debt securities issued by other local CIs	3,650,432	2,532,464
▪ Debt securities issued by local economic entities	4,570,883	5,032,002
▪ Certificates of deposits issued by other local CIs	2,478,174	3,453,114
	<hr/> 21,854,044	<hr/> 31,818,476
Equity securities		
▪ Equity securities issued by local economic entities	82,661	82,661
	<hr/> 21,936,705	<hr/> 31,901,137

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

	30/6/2021		31/12/2020	
	Term	Interest rate per annum	Term	Interest rate per annum
Bonds issued by the Government	5 years - 30 years	2.2% - 8.8%	5 years - 30 years	2.3% - 8.8%
Debt securities issued by other local CIs	1 years - 15 years	2.7% - 15%	1 years - 15 years	2.7% - 15%
Debt securities issued by local economic entities	3 years - 5 years	8.9% - 10.5%	3 years - 5 years	9% - 10.5%
Certificates of deposits issued by other local CIs	1 years - 3 years	2.9% - 11.5%	1 years - 3 years	4.2% - 11.5%

Portfolio of unlisted corporate bonds classified as assets exposed to credit risk by loan groups was as follows:

	30/6/2021 VND million	31/12/2020 VND million
Current	4,570,883	5,032,002

(b) Held-to-maturity securities

	30/6/2021 VND million	31/12/2020 VND million
Bonds issued by local economic entities	369,364	319,364

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

	30/6/2021		31/12/2021	
	Term	Interest rate per annum	Term	Interest rate per annum
Held-to-maturity securities				
Bonds issued by local economic entities	1-years- 10 years	8% - 8.90%	10 years	8.90%

12. Allowance for investment securities

	30/6/2021 VND million	31/12/2020 VND million
Available-for-sale securities (i)	61,148	37,802
Held-to-maturity securities	2,395	2,395
	<u>63,543</u>	<u>40,197</u>

- (i) Movements in allowance for available-for-sale securities in the period were as follows:

Six-month period ended 30 June 2021

	General allowance for available-for-sale debt securities VND million	Specific allowance for available-for-sale debt securities VND million	Total VND million
Opening balance	36,066	1,736	37,802
Allowance (reversed)/made during the period	(375)	23,721	23,346
Closing balance	<u>35,691</u>	<u>25,457</u>	<u>61,148</u>

Six-month period ended 30 June 2020

	General allowance for available-for-sale debt securities VND million	Specific allowance for available-for-sale debt securities VND million	Total VND million
Opening balance	32,468	836	33,304
Allowance (reversed)/made during the period	(602)	-	(602)
Closing balance	<u>31,866</u>	<u>836</u>	<u>32,702</u>

13. Long-term investments

	30/6/2021 VND million	31/12/2020 VND million
Other long-term investments (i)	127,009	131,666
Allowance for diminution in value of long-term investments	(30,197)	(28,754)
	<u>96,812</u>	<u>102,912</u>

(i) Details of other long-term investments of SeABank at the end of the period/year were as follows:

Investees' names	30/6/2021		31/12/2020	
	Cost VND million	% owned	Cost VND million	% owned
National Payment Corporation of Vietnam	3,300	1.06%	3,300	1.06%
Bao Minh Securities Company	10,343	2.07%	15,000	3.00%
ASEAN Jewelry Joint Stock Company (AJC)	24,102	10.00%	24,102	10.00%
PetroVietnam Oil Thua Thien Hue Joint Stock Company	4,800	6.00%	4,800	6.00%
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 Thai Binh Joint Stock Company	7,500	3.00%	7,500	3.00%
Global Data Service Joint Stock Company	2,670	2.13%	2,670	2.13%
Brainwork Vietnam Inc	500	11.43%	500	11.43%
Post and Telecommunications Investment and Construction Consulting JSC	256	0.45%	256	0.45%
E-Learning and E-Entertainment Service Development Joint Stock Company	5,940	6.00%	5,940	6.00%
Phuong Nam Real Estate Investment Joint Stock Company	20,000	7.69%	20,000	7.69%
Sai Gon Securities Investment Fund A2	4,128	1.13%	4,128	1.13%
	<u>127,009</u>		<u>131,666</u>	

14. Tangible fixed assets

Six-month period ended 30 June 2021

	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	18,127	339,061	275,924	93,393	12,766	739,271
Additions	-	3,575	7,459	4,896	823	16,753
Disposals	-	(39)	-	(93)	(205)	(337)
Closing balance	18,127	342,597	283,383	98,196	13,384	755,687
Accumulated depreciation						
Opening balance	4,253	195,193	168,569	77,942	9,818	455,775
Charge for the period	414	10,920	8,226	4,055	350	23,965
Disposals	-	(39)	-	(93)	(206)	(338)
Closing balance	4,667	206,074	176,795	81,904	9,962	479,402
Net book value						
Opening balance	13,874	143,868	107,355	15,451	2,948	283,496
Closing balance	13,460	136,523	106,588	16,292	3,422	276,285

Included in tangible fixed assets were assets costing VND104,132 million which were fully depreciated as of 30 June 2021 (1/1/2020: VND92,659 million), but which are still in active use.

15. Intangible fixed assets

Six-month period ended 30 June 2021

	Land use rights VND million	Software VND million	Other intangible fixed assets VND million	Total VND million
Cost				
Opening balance	377,995	348,816	14,701	741,512
Acquisitions	-	25,265	301	25,566
Closing balance	377,995	374,081	15,002	767,078
Accumulated amortisation				
Opening balance	-	153,545	8,976	162,521
Charge for the period	-	13,012	629	13,641
Closing balance	-	166,557	9,605	176,162
Net book value				
Opening balance	377,995	195,271	5,725	578,991
Closing balance	377,995	207,524	5,397	590,916

Included in intangible fixed assets were assets costing VND37,608 million which were fully amortised as of 30 June 2021 (31/12/2020: VND24,204 million), but which are still in active use.

16. Other assets

	30/6/2021 VND million	31/12/2020 VND million
Receivables		
Internal receivables	417,518	360,036
External receivables	1,333,428	922,791
<i>In which:</i>		
- Receivables from sale of securities	302,797	356,606
- Receivables from usance payable at sight letters of credit (i)	514,988	235,873
- Other external receivables	515,643	330,312
Interest and fee receivables	2,680,026	2,598,213
Other assets		
Prepaid expenses	1,291,008	540,036
Assets foreclosed to credit institutions	908,446	961,936
Goodwill	516,240	551,843
Other assets	202,806	193,328
	7,349,472	6,128,183
Allowance for other on-balance sheet assets	(41,094)	(34,665)
	7,308,378	6,093,518

- (i) Receivables from UPAS L/C are receivables from commodity buyers (importers) who are SeABank's customers related to the UPAS L/C Usance Payable At Sight Letters of Credit issued by SeABank. Accordingly, SeABank, through a corresponding bank, makes payment to the beneficiaries (exporters) of UPAS L/C prior to those letter of credits' matured dates and is entitled to an income from advance payment.
- (ii) Movements in allowance for other on-balance sheet assets were as follows:

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Opening balance	34,665	26,983
Allowance made during the period	6,429	6,121
	41,094	33,104

17. Amounts due to the Government and the State Bank

	30/6/2021 VND million	31/12/2020 VND million
Borrowings from the SBV	190,419	205,702

As at 30 June 2021, borrowings from the SBV have a term of 12 months and an interest rate of 3.30% per annum (31/12/2020: term of 12 months and interest rate of 3.50% per annum).

18. Deposits and borrowings from other credit institutions

	30/6/2021 VND million	31/12/2020 VND million
Demand deposits from other CIs		
In VND	9,058,600	5,632
Term deposits from other CIs		
In VND	28,506,861	20,719,640
In foreign currencies	2,000,130	4,663,200
	39,565,591	25,388,472
Borrowings from other CIs		
In VND	11,723,422	16,863,643
<i>In which: - Borrowings on discounted and rediscounted valuable papers</i>	10,432,326	15,381,328
<i>- Borrowings on mortgages and pledges</i>	290,000	290,000
In foreign currencies	773,692	264,558
	12,497,114	17,128,201
	52,062,705	42,516,673

Period-end/year-end annual interest rates were as follows:

	30/6/2021	31/12/2020
Term deposits in VND	1% - 1.8%	0.11% - 1.6%
Term deposits in foreign currencies	0.1% - 0.35%	0.1% - 0.75%
Borrowings in VND	1.3% - 5.08%	0.15% - 5.66%
Borrowings in foreign currencies	1.01% - 2%	1.01% - 3.26%

19. Deposits from customers

	30/6/2021 VND million	31/12/2020 VND million
Demand deposits		
Demand deposits in VND	7,194,870	9,631,981
Demand deposits in foreign currencies	720,112	1,462,499
Savings deposits and term deposits		
Savings deposits and term deposits in VND	98,117,656	100,005,510
Savings deposits and term deposits in foreign currencies	1,272,102	1,529,638
Deposits for special purpose	351,904	359,074
Margin deposits	327,228	287,895
	107,983,872	113,276,597

Deposits from customers by customer type was as follows:

	30/6/2021 VND million	31/12/2020 VND million
State-owned enterprises	10,386,684	10,810,173
Limited liability companies	7,651,892	9,205,417
Joint stock companies in which the State's holding percentage is more than 50%	4,973,459	4,761,087
Other joint stock companies	14,072,718	12,733,275
Partnerships	21,684	18,698
Private companies	486,420	282,401
Foreign invested enterprises	732,636	290,024
Cooperatives, cooperative unions	137,165	118,010
Household business, individuals	68,866,973	74,574,823
Others	654,241	482,689
	107,983,872	113,276,597

Period-end/year-end annual interest rates were as follows:

	30/6/2021	31/12/2020
Demand deposits in VND	0% - 0.2%	0% - 0.2%
Demand deposits in foreign currencies	0%	0%
Term deposits in VND	0.2% - 6.25%	0.2% - 7.92%
Term deposits in foreign currencies	0.2% - 0.98%	0% - 0.98%

20. Valuable papers issued

	30/6/2021 VND million	31/12/2020 VND million
Term bonds		
- From 12 months up to less than 5 years	3,200,000	950,000
- Over 5 years	1,866,000	1,866,000
Certificates of deposits	3,114,010	4,248,740
	<hr/> 8,180,010	<hr/> 7,064,740

Period-end/year-end annual interest rates were as follows:

	30/6/2021	31/12/2020
Term bonds		
- From 12 months up to less than 5 years	3.60% - 4.00%	7.30%
- Over 5 years	7.80% - 9.00%	8.50% - 9.00%
Certificates of deposits	3.60% - 8.60%	3.50% - 8.60%

21. Other liabilities

	30/6/2021 VND million	31/12/2020 VND million
Internal payables	15,171	8,799
External payables	3,563,432	3,449,752
In which:		
- <i>Accrued interest and fee payables</i>	3,006,283	3,065,150
- <i>Deferred income</i>	47,229	492
- <i>Taxes and others payable to State Treasury</i> <i>(Note 38)</i>	275,549	186,013
- <i>Other payables</i>	234,371	198,097
Bonus and welfare fund	30,915	13,627
	<hr/> 3,609,518	<hr/> 3,472,178

22. Capital and reserves

Changes in capital and reserves of SeABank during the six-month period ended 30 June 2020 and 30 June 2021 were as follows:

	Charter capital VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Foreign exchange differences VND million	Retained earnings VND million	Total VND million
Balance at 1 January 2020	9,369,000	138,275	93,715	-	1,324,852	10,925,842
Appropriation to bonus and welfare fund	-	-	-	-	(22,261)	(22,261)
Profit for the period	-	-	-	-	515,847	515,847
Foreign exchange differences	-	-	-	2,777	-	2,777
Other decreases	-	-	-	-	(411)	(411)
Balance at 30 June 2020	9,369,000	138,275	93,715	2,777	1,818,027	11,421,794
Balance at 1 January 2021	12,087,442	287,688	168,422	-	1,126,826	13,670,378
Appropriation to bonus and welfare fund	-	-	-	-	(18,458)	(18,458)
Profit for the period	-	-	-	-	1,238,373	1,238,373
Foreign exchange differences	-	-	-	(10,393)	-	(10,393)
Other decreases	-	-	-	-	(718)	(718)
Balance at 30 June 2021	12,087,442	287,688	168,422	(10,393)	2,346,023	14,879,182

23. Share capital

	30/6/2021		31/12/2020	
	Number of shares	VND million	Number of shares	VND million
Shares issued to the public				
Ordinary shares	1,208,744,208	12,087,442	1,208,744,208	12,087,442
Shares in circulation				
Ordinary shares	1,208,744,208	12,087,442	1,208,744,208	12,087,442

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. Shareholders are entitled to receive dividend as declared from time to time. All ordinary shares are ranked equally with regard to the Bank's residual assets. In respect of shares bought back by the Bank, all rights are suspended until those shares are reissued.

24. Interest and similar income

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Interest income from deposits	208,288	115,851
Interest income from loans	4,806,153	4,410,161
Income from investments in securities	870,454	678,422
Income from guarantee services	35,581	19,313
Other income from credit activities	46,766	48,876
	5,967,242	5,272,623

25. Interest and similar expense

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Interest expenses for deposits	3,169,048	3,219,552
Interest expenses for borrowings	58,943	89,561
Interest expenses for valuable papers issued	262,706	588,815
Interest expenses for other credit activities	46,143	36,629
	3,536,840	3,934,557

26. Net fee and commission income

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Fee and commission income from		
Settlement and cash services	85,104	72,769
Treasury services	3,211	2,446
Insurance agency services	120,851	55,912
Other services	528,371	98,222
	<hr/> 737,537	<hr/> 229,349
Fee and commission expenses for		
Settlement and cash services	29,325	26,980
Treasury services	9,236	6,620
Other services	229,793	44,947
	<hr/> 268,354	<hr/> 78,547
Net fee and commission income	<hr/> 469,183	<hr/> 150,802

27. Net gain from trading of foreign currencies

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Income from trading of foreign currencies		
Spot currency trading	449,497	333,555
Currency derivatives	235,340	361,520
Income from trading of gold	519	5
	<hr/> 685,356	<hr/> 695,080
Expenses for trading of foreign currencies		
Spot currency trading	27,679	4,610
Currency derivatives	563,617	678,885
Expenses for trading of gold	228	-
	<hr/> 591,524	<hr/> 683,495
Net gain from trading of foreign currencies	<hr/> 93,832	<hr/> 11,585

28. Net gain from trading securities

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Gain from securities held for trading	70,035	65,780
Loss from securities held for trading	(51,010)	(47,757)
Allowance (made)/reserved for securities held for trading	(43,165)	5,011
	(24,140)	23,034

29. Net gain from investment securities

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Gain from investment securities	223,390	152,853
Loss from investment securities	(71,080)	(12,547)
Allowance (made)/reserved for investment securities	(23,346)	602
	128,964	140,908

30. Net other income

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Income from other activities		
Income from other derivatives	148,490	117,730
Income from support	-	415,517
Income from other activities	66,712	18,995
	215,202	552,242
Expenses for other activities		
Expenses for other derivatives	(101,190)	(87,422)
Expenses for other activities	(16,006)	(126,690)
	(117,196)	(214,112)
Net income from other activities	98,006	338,130

31. Income from capital contribution, share purchase

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Dividends received from capital contribution, share purchase	892	599
Gain from disposal of long-term investments	1,886	-
	<u>2,778</u>	<u>599</u>

32. Operating expenses

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Tax, duties and fees	65,501	11,584
Staff costs:		
- <i>Salary and allowances</i>	594,207	552,557
- <i>Salary based contribution</i>	29,171	28,130
- <i>Allowances</i>	196	290
- <i>Other staff expenses</i>	6,892	10,196
Expenses on assets		
- <i>Depreciation and amortisation of fixed assets</i>	37,605	31,837
- <i>Others</i>	146,529	143,227
Administrative expenses		
- <i>Per diems</i>	9,812	7,349
- <i>Printing materials and papers</i>	14,857	15,831
- <i>Postage and telephone expenses</i>	17,732	12,385
- <i>Others</i>	143,596	95,780
Insurance fee for customers' deposits	57,885	52,256
Allowance expenses	7,872	5,710
Amortisation of goodwill	35,603	35,603
Other expenses	57,234	41,084
	<u>1,224,692</u>	<u>1,043,819</u>

33. Contingent liabilities and other commitments

	30/06/2021		31/12/2020	
	VND million		VND million	
	Contractual value - gross	Contractual value - net	Margin deposits	Contractual value - net
Loan guarantees	94,083	-	(98,155)	-
Foreign exchange commitments				
▪ Foreign currency purchase commitments	2,320,885	2,320,885	-	541,303
▪ Foreign currency sale commitments	2,767,174	2,767,174	-	447,726
▪ Currency swaps - Purchase commitments	55,090,937	55,090,937	-	30,139,120
▪ Currency swaps - Sale commitments	36,666,751	36,666,751	-	23,652,400
Letters of credit	1,133,406	1,102,977	(30,429)	657,643
Other guarantees	3,562,526	3,367,168	(195,358)	2,567,945
Interest rate swaps	9,503,370	9,503,370	-	9,805,803

34. Corporate income tax

(a) Recognition in the statement of income

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Current tax expense		
Current period	317,995	153,252

(b) Reconciliation of effective tax rate

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Accounting profit before tax	1,556,368	669,099
Tax at SeABank's tax rate	311,274	133,820
Tax exempt income	(556)	(120)
Non-deductible expenses	215	217
Adjustment of profit for consolidation of financial statements	7,062	19,335
	317,995	153,252

(c) Applicable tax rate

SeABank has an obligation to pay corporate income tax to the Government at the rate of 20% of taxable profit (2020: 20%). The corporate income tax computation is subject to review and approval by local tax authorities.

35. Basic earnings per share

(i) Net profit attributable to ordinary shareholders

	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
Net profit attributable to ordinary shareholders	1,238,373	515,847
Appropriation to bonus and welfare fund	(18,458)	(22,261)
	1,219,915	493,586

(ii) *Weighted average number of ordinary shares*

	Six-month period ended 30/6/2021	Six-month period ended 30/6/2021 (Restated)	Six-month period ended 30/6/2021 (as previously stated)
Issued ordinary shares at the beginning of the period	1,208,744.208	768,800,000	768,800,000
Effect of ordinary shares issued in 2020	-	195,100,000	195,100,000
Effect of ordinary shares issued for payment of dividends in 2020	-	131,166,000	-
Weighted average number of ordinary shares for the period	1,208,744,208	1,095,066,000	963,900,000

(iii) *Basic earnings per share*

	Six-month period ended 30/6/2021	Six-month period ended 30/6/2021 (Restated)	Six-month period ended 30/6/2021 (as previously stated)
Basic earnings per share (VND/share)	1,009	451	512

36. Cash and cash equivalents

	30/6/2021 VND million	31/12/2020 VND million
Cash and gold on hand	1,095,064	1,012,228
Balances with the SBV	2,844,601	3,374,359
Demand deposits with other CIs	9,486,155	730,089
Deposits with other CIs with original terms not exceeding three months	22,758,150	24,911,090
	36,183,970	30,027,766

37. Employee benefits

	Six-month period ended 30/6/2021	Six-month period ended 30/6/2020
Average number of employees (person)	4,406	4,137
Employees' income (VND million)	594,207	552,557
Bonus and incentives	17,938	15,582
	612,145	568,139
Average monthly income (VND million)	23.16	22.89

38. Obligations to the State Treasury

Six-month period ended 30 June 2021

	1/1/2021 VND million	Incurred during period VND million	Paid during the period VND million	30/6/2021 VND million
Payables to State Treasury				
Value added tax	3,923	49,927	(22,026)	31,824
Corporate income tax	176,098	317,995	(257,145)	236,948
Personal income tax	5,992	48,108	(47,323)	6,777
Other taxes	-	6,942	(6,942)	-
	186,013	422,972	(333,436)	275,549

Six-month period ended 30 June 2020

	1/1/2020 VND million	Incurred during period VND million	Paid during the period VND million	30/6/2020 VND million
Payables to State Treasury				
Value added tax	3,506	16,461	(7,761)	12,206
Corporate income tax	169,414	153,252	(169,740)	152,926
Personal income tax	5,711	51,307	(53,213)	3,805
Other taxes	-	15,113	(15,113)	-
	178,631	236,133	(245,827)	168,937

39. Significant transactions and balances with related parties

In the normal course of operation, SeABank carries out transactions with related parties.

The following related parties had transactions and/or balances with SeABank during the period:

Related parties	Relationship
Opera Hotel Limited Company	Common members of BOD
Espace Big C Thang Long	Common members of BOD
Thang Long GTC Joint Stock Company	Common members of BOD
Hanoitourist Service Joint Stock Company	Common members of BOD
Hanoi Trade Joint Stock Corporation	Common members of BOD
BRG Group Joint Stock Company ("BRG")	Common members of BOD
North Hanoi Smart City Development Investment Joint Stock Company	Common members of BOD
Vietnam Engine and Agricultural Machinery Corporation ("VEAM")	Common members of BOD
Tran Hung Dao Mechanical Co., Ltd.	Subsidiary of VEAM
Song Cong Diesel Limited Company	Subsidiary of VEAM
Hoang Vien Quang Ba Co., Ltd	Subsidiary of BRG
Hue Tourism Investment Joint Stock Company	Subsidiary of BRG
Board of Directors, Supervisory Board and Board of Management	



Balances with related parties as at period-end/year-end are as follows:

	Assets/(Liabilities)	
	30/6/2021	31/12/2020
	VND million	VND million
<i>Opera Hotel Limited Company</i>		
▪ Demand deposits at SeABank	(30,966)	(34,862)
▪ Term deposits at SeABank	(62,615)	(77,415)
<i>Espace Big C Thang Long</i>		
▪ Demand deposits at SeABank	(43,422)	(4,949)
▪ Term deposits at SeABank	(618,106)	(618,106)
<i>Thang Long GTC Joint Stock Company</i>		
▪ Demand deposits at SeABank	(5,785)	(173,126)
▪ Term deposits at SeABank	(454,400)	(375,400)
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
▪ Demand deposits at SeABank	(40,028)	(139,713)
▪ Term deposits at SeABank	(236,086)	(8,500)
<i>Hanoitourist Service Joint Stock Company</i>		
▪ Demand deposits at SeABank	(2,448)	(5,259)
▪ Term deposits at SeABank	(328,549)	(312,582)
<i>Vietnam Engine and Agricultural Machinery Corporation</i>		
▪ Demand deposits at SeABank	(4,533)	(23,565)
▪ Term deposits at SeABank	(1,423,000)	(910,000)
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
▪ Demand deposits at SeABank	(210,541)	(135,545)
▪ Term deposits at SeABank	(2,950,000)	(3,100,000)

Details of transactions with related parties during the period are as follows:

	Revenue/(Expenses)	
	Six-month period ended 30/6/2021 VND million	Six-month period ended 30/6/2020 VND million
<i>Opera Hotel Limited Company</i>		
▪ Interest expenses on deposits	(1,162)	(2,133)
<i>Espace Big C Thang Long</i>		
▪ Interest expenses on deposits	(9,951)	(16,227)
<i>Thang Long GTC Joint Stock Company</i>		
▪ Interest expenses on deposits	(11,009)	(12,501)
▪ Interest income from loans	-	227
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
▪ Interest expenses on deposits	(8,589)	(1,540)
▪ Interest income from loans	-	144
<i>Hanoitourist Service Joint Stock Company</i>		
▪ Interest expenses on deposits	(6,780)	(8,069)
<i>Vietnam Engine and Agricultural Machinery Corporation</i>		
▪ Interest expenses on deposits	(31,643)	(23,625)
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
▪ Interest expenses on deposits	(47,740)	(40,262)
Remuneration of the Board of Directors, Supervisory Board	6,683	4,900
Salary, bonus and other benefits of the General Director and other managers	34,105	20,810

40. Segment Report

A division is a separate identifiable component of SeABank involved in the provision of related products or services (business segment) or the provision of products or services within one specific economic environment (geographical segment). Each of these parts bears different risks and benefits from the others.

(i) Primary segment reporting by business segment

For management purposes, the Bank and its subsidiaries are organized into segments based on the following businesses:

Banking operations:

Products and services provided to customers include:

- Receiving deposit;
- Providing credit;
- Providing payment services via account; and
- Other banking activities.

Finance company activities:
Debt management and asset
exploitation:

Consumer loans and other financial activities
Debt management and asset exploitation

Segment reporting by business segment as at 30 June 2021 and the six-month period then ended are presented in the following table:

(VND million)	Banking operations	Finance companies activities	Debt management and asset exploitation	Elimination for inte- segment transactions	Consolidated figures
Revenue					
Interest income	5,924,739	42,639	1,039	(1,175)	5,967,242
Fee and commission income	542,853	-	196,619	(1,935)	737,537
Income from other business activities	1,196,230	5,015	54	(4,538)	1,196,761
	7,663,822	47,654	197,712	(7,648)	7,901,540
Expense					
Interest expense	3,537,990	25	-	(1,175)	3,536,840
Fee and commission expense	80,975	179	187,200	-	268,354
Others expense	897,880	3,938	41	(4,538)	897,321
Operating expense	1,150,337	38,050	2,636	33,669	1,224,692
	5,667,182	42,192	189,877	27,956	5,927,207
Operating results before allowance expenses	1,996,640	5,462	7,835	(35,604)	1,974,333
Allowance expense	412,623	5,342	-	-	417,965
Segment outcome	1,584,017	120	7,835	(35,604)	1,556,368
Asset					
Cash	1,095,033	-	31	-	1,095,064
Fixed assets	865,844	1,357	-	-	867,201
Other assets	185,176,611	551,052	599,497	(1,354,978)	184,972,182
	187,137,488	552,409	599,528	(1,354,978)	186,934,447
Liabilities					
Amounts due to the Government and the State Bank of Vietnam	190,419	-	-	-	190,419
Deposits and borrowings from other credit institutions	52,079,366	30,000	-	(46,661)	52,062,705
Deposits from customers	108,030,839	653	-	(47,620)	107,983,872
Other borrowed and entrusted funds	-	1,020	-	-	1,020
Valuable papers issued	8,180,010	-	-	-	8,180,010
Other liabilities	3,605,429	7,985	40,761	(16,936)	3,637,239
	172,086,063	39,658	40,761	(111,217)	172,055,265

(ii) Secondary segment reporting by geographic segment

The business activities of the Bank and its subsidiaries are mainly performed in the territory of Vietnam. Therefore, SeABank's risk and profitability are not affected mainly by the differences. Therefore, the Board of Management of SeABank assessed that SeABank has only one geographical segment. Accordingly, SeABank is not required to present segment reporting by geographical segment.

41. Concentration of assets, liabilities and off-balance sheet commitments by geographical regions

Concentration of assets, liabilities and off-balance sheet items by geographical region of SeABank's partners as at 30 June 2021 are as follows:

	Total loans VND million	Total deposits VND million	Contingent credit commitments VND million	Financial Instruments VND million	Trading and investment securities VND million
Domestic	112,035,206	147,537,713	4,470,145	27,721	31,510,460
Overseas	396,843	11,750	-	-	-
	112,432,049	147,549,463	4,470,145	27,721	31,510,460

Concentration of assets, liabilities and off-balance sheet items by geographical region of SeABank's partners as at 31 December 2020 are as follows:

	Total loans VND million	Total deposits VND million	Contingent credit commitments VND million	Financial Instruments VND million	Trading and investment securities VND million
Domestic	108,563,097	138,655,944	3,225,588	144,604	34,926,421
Overseas	406,139	9,125	-	-	-
	108,969,236	138,665,069	3,225,588	144,604	34,926,421

42. Financial risk management

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

Risk management policy

The Board of Directors has overall responsibility for the establishment and oversight of SeABank's financial risk management framework to facilitate its business activities to thrive safely and sustainably.

Having taken that responsibility, the Board of Directors appropriately promulgates risk management policies and strategies, establishes business limit, directly approves high-value business transactions in accordance with both legal and internal requirement, and determine organisational structure and key managing directors.

Risk management strategies and policies are adhered to SeABank's Charter and General Shareholders' Meeting resolution from time to time.

The Risk Management Division is an agency established by SeABank. The agency is responsible for development and management of risk management policies and tools; organising and managing risk management in SeABank's operations.

43. Market risk

(a) Interest rate risk

SeABank's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature at different times or in differing amounts. Some assets have indefinite maturities or interest rate sensitivities and are not readily matched with specific liabilities.

SeABank adopts a interest risk measurement method for all assets - liabilities items with respect to interest income. SeABank also establishes and applies a limit system and decision authority at each level based on results of risk measurement for each category.

The following tables show SeABank's assets and liabilities categorised by the contractual re-pricing or maturity date and the interest rates at the balance sheet 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' desposits.

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(Issued under Circular

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of the State Bank of Vietnam)

As at 30 June 2021 (VND million)	Overdue	Non- interest bearing	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 1 to 5 years	Over 5 years	Total
Assets									
Cash and gold on hand	-	1,095,064	-	-	-	-	-	-	1,095,064
Balances with the SBV	-	-	2,844,601	-	-	-	-	-	2,844,601
Balances with and loans to other CIs - gross	-	-	32,232,850	615,374	250,000	-	-	-	33,098,224
Securities held for trading - gross	-	-	9,204,391	-	-	-	-	-	9,204,391
Loans to customers - gross	2,125,245	-	22,568,212	22,519,398	42,321,935	19,617,955	1,708,945	716,440	111,578,130
Investment securities - gross	-	-	3,112,034	3,361,017	4,820,045	8,296,507	1,392,076	1,324,390	22,306,069
Long-term investments - gross	-	127,009	-	-	-	-	-	-	127,009
Fixed assets and investment property	-	932,731	-	-	-	-	-	-	932,731
Other assets - gross	-	7,349,472	-	-	-	-	-	-	7,349,472
Total assets	2,125,245	9,504,276	69,962,088	26,495,789	47,391,980	27,914,462	3,101,021	2,040,830	188,535,691
Liabilities									
Amounts due to the Government and the SBV	-	-	-	-	36,126	154,293	-	-	190,419
Deposits and borrowings from other CIs	-	-	50,146,000	1,371,597	545,108	-	-	-	52,062,705
Deposits from customers	-	-	31,051,296	20,016,168	27,442,514	17,514,319	11,959,575	-	107,983,872
Derivatives and other financial liabilities	-	27,721	-	-	-	-	-	-	27,721
Other borrowed and entrusted funds	-	1,020	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	296,660	1,528,490	934,190	4,300,720	153,950	966,000	8,180,010
Other liabilities	-	3,609,518	-	-	-	-	-	-	3,609,518
Total liabilities	-	3,638,259	81,493,956	22,916,255	28,957,938	21,969,332	12,113,525	966,000	172,055,265
Interest sensitivity gap	2,125,245	5,866,017	(11,531,868)	3,579,534	18,434,042	5,945,130	(9,012,504)	1,074,830	16,480,426

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As at 31 December 2020 (VND million)	Overdue	Non- interest bearing	Up to 1 month	From 1 to 3 months	From 3 to 6 months	From 6 to 12 months	From 1 to 5 years	Over 5 years	Total
Assets									
Cash and gold on hand	-	1,012,228	-	-	-	-	-	-	1,012,228
Balances with the SBV	-	-	3,374,359	-	-	-	-	-	3,374,359
Balances with and loans to other CIs - gross	-	-	23,152,679	2,588,500	-	-	-	-	25,741,179
Securities held for trading - gross	-	-	2,705,920	-	-	-	-	-	2,705,920
Derivatives and other financial assets	-	144,604	-	-	-	-	-	-	144,604
Loans to customers - gross	2,135,684	-	32,177,709	21,403,796	40,933,577	12,152,628	57,772	8,070	108,869,236
Investment securities - gross	-	-	3,084,482	3,408,741	9,152,124	14,670,986	1,584,804	319,364	32,220,501
Long-term investments - gross	-	131,666	-	-	-	-	-	-	131,666
Fixed assets and investment property	-	1,103,421	-	-	-	-	-	-	1,103,421
Other assets - gross	-	6,128,183	-	-	-	-	-	-	6,128,183
Total assets	2,135,684	8,520,102	64,495,149	27,401,037	50,085,701	26,823,614	1,642,576	327,434	181,431,297
Liabilities									
Amounts due to the Government and the SBV	-	-	25,240	60,968	68,086	51,408	-	-	205,702
Deposits and borrowings from other CIs	-	-	39,779,179	2,457,464	280,030	-	-	-	42,516,673
Deposits from customers	-	-	32,262,653	18,678,351	25,143,734	23,314,877	13,876,982	-	113,276,597
Other borrowed and entrusted funds	-	1,020	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	104,610	457,490	1,683,130	2,312,090	1,541,420	966,000	7,064,740
Other liabilities	-	3,472,178	-	-	-	-	-	-	3,472,178
Total liabilities	-	3,473,198	72,171,682	21,654,273	27,174,980	25,678,375	15,418,402	966,000	166,536,910
Interest sensitivity gap	2,135,684	5,046,904	(7,676,533)	5,746,764	22,910,721	1,145,239	(13,775,826)	(638,566)	14,894,387

(b) Currency risk

SeABank 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 consolidated statement of income.

SeABank 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 used to ensure positions are maintained within established limits.

The following table presents currency status of SeABank's assets and liabilities as at 30 June 2021:

As at 30 June 2021 (VND million)	USD	EUR	Others	Total
Assets				
Cash and gold on hand	107,649	125,156	72,206	305,011
Balances with the SBV	297,548	-	-	297,548
Balances with and loans to other CIs	439,343	259,087	94,539	792,969
Loans to customers - gross	2,417,403	9,433	-	2,426,836
Other assets - gross	357,626	911	1,148	359,685
	3,619,569	394,587	167,893	4,182,049
Liabilities				
Deposits and borrowings from other CIs	2,772,683	-	1,148	2,773,831
Deposits from customers	2,023,594	278,472	38,885	2,340,951
Derivatives and other financial liabilities	406,484	129,344	121,071	656,899
Other liabilities	61,797	1,556	-	63,353
	5,264,558	409,372	161,104	5,835,034
FX position on balance sheet	(1,644,989)	(14,785)	6,789	(1,652,985)

As at 31 December 2020 (VND million)	USD	EUR	Others	Total
Assets				
Cash and gold on hand	86,182	97,259	107,866	291,307
Balances with the SBV	1,287,045	-	-	1,287,045
Balances with and loans to other CIs	3,298,459	271,710	56,203	3,626,372
Loans to customers - gross	2,429,101	1,996	-	2,431,097
Other assets - gross	289,499	824	-	290,323
	7,390,286	371,789	164,069	7,926,144
Liabilities				
Deposits and borrowings from other CIs	4,927,766	-	-	4,927,766
Deposits from customers	2,996,152	310,302	41,662	3,348,116
Derivatives and other financial liabilities	2,016,857	71,293	130,125	2,218,275
Other liabilities	55,072	1,138	-	56,210
	9,995,847	382,733	171,787	10,550,367
FX position on balance sheet	(2,605,561)	(10,944)	(7,718)	(2,624,223)

The followings were the significant foreign exchange rates applied by SeABank:

	Exchange rate as at	
	30/6/2021	31/12/2020
	VND	VND
AUD	17,347	17,822
CAD	18,601	18,165
CHF	24,986	26,198
KRW	21	21
EUR	27,520	28,517
GBP	31,936	31,567
HKD	2,965	2,980
JPY	209	225
SGD	17,168	17,503
THB	717	769
USD	22,990	23,200
XAU	5,645,000	5,582,500

44. Credit risk

Credit risk to SeABank mainly derives from loans and advances to customers. The credit risk level is shown on the carrying value of the assets as at the consolidated balance sheet. In addition, SeABank 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 SeABank.

Set out below is the maximum credit exposure of SeABank's on balance sheet, excluding any collateral held or credit enhancements:

As at 30 June 2021

(VND million)	Neither past due nor allowance required	Past due but no allowance required	Past due and allowance made	Total
Balances with the SBV	2,844,601	-	-	2,844,601
Balances with and loans to other CIs – gross	33,098,224	-	-	33,098,224
Loans to customers - gross	109,394,623	58,262	2,125,245	111,578,130
Investment securities – gross	22,223,408	-	-	22,223,408
Other financial assets – gross	4,633,778	-	-	4,633,778
	172,194,634	58,262	2,125,245	174,378,141

As at 31 December 2020

(VND million)	Neither past due nor allowance required	Past due but no allowance required	Past due and allowance made	Total
Balances with the SBV	3,374,359	-	-	3,374,359
Balances with and loans to other CIs – gross	25,741,179	-	-	25,741,179
Loans to customers - gross	106,576,749	156,803	2,135,684	108,869,236
Investment securities – gross	32,137,840	-	-	32,137,840
Other financial assets – gross	4,465,999	-	-	4,465,999
	172,296,126	156,803	2,135,684	174,588,613

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

	30/6/2021 VND million	31/12/2020 VND million
Real estates	159,001,141	140,727,512
Movable assets	12,701,250	13,510,422
Valuable papers	19,694,058	28,969,558
Other collaterals	96,700,739	108,944,992
	<u>288,097,188</u>	<u>292,152,484</u>

45. Liquidity risk

Liquidity risk arises from SeABank's funding activities in general and in the management of its currency 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 SeABank according to their maturities as at 30 June 2021 and 31 December 2020:

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As at 30 June 2021 (VND million)	Overdue		Current		From 1 to 5 years		Total
	Up to 3 months	More than 3 months	Up to 1 month	From 1 to 3 months	From 3 to 12 months	More than 5 years	
Assets							
Cash and gold on hand	-	-	1,095,064	-	-	-	1,095,064
Balances with the SBV	-	-	2,844,601	-	-	-	2,844,601
Balances with and loans to other CIs	-	-	32,232,850	615,374	250,000	-	33,098,224
Securities held for trading - gross	-	-	9,204,391	-	-	-	9,204,391
Loans to customers - gross	161,293	1,963,952	5,449,047	12,209,020	60,324,762	18,658,016	111,578,130
Investment securities - gross	-	-	10,854,494	10,025	4,355,822	1,181,157	22,306,069
Long-term investments - gross	-	-	-	-	-	127,009	127,009
Fixed assets and investment property	-	-	-	-	-	932,731	932,731
Other assets - gross	-	-	763,223	823,526	2,890,807	65,233	7,349,472
Total assets	161,293	1,963,952	62,443,670	13,657,945	67,821,391	21,523,294	188,535,691
Liabilities							
Amounts due to the Government and the SBV	-	-	-	-	190,419	-	190,419
Deposits and borrowings from other CIs	-	-	50,146,000	1,371,597	545,108	-	52,062,705
Deposits from customers	-	-	31,051,296	20,016,167	44,956,834	11,959,575	107,983,872
Derivatives and other financial liabilities	-	-	18,867	27,490	11,134	(29,770)	27,721
Other borrowed and entrusted funds	-	-	-	-	-	1,020	1,020
Valuable papers issued	-	-	296,660	1,528,490	5,234,910	966,000	8,180,010
Other liabilities	-	-	864,357	842,390	1,569,835	332,936	3,609,518
Total liabilities	-	-	82,377,180	23,786,134	52,508,240	966,000	172,055,265
Net liquidity gap	161,293	1,963,952	(19,933,510)	(10,128,189)	15,313,151	9,105,583	16,480,426

Southeast Asia Commercial Joint Stock Bank

No. 25, Tran Hung Dao, Phan Chu Trinh Ward, Hoan Kiem District, Hanoi, Vietnam

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2021 (continued)

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(Issued under Circular
No. 49/2014/TT-NHNN dated 31 December 2014
of the State Bank of Vietnam)

As at 31 December 2020 (VND million)	Overdue		Current			Total	
	Up to 3 months	More than 3 months	Up to 1 month	From 1 to 3 months	From 3 to 12 months	From 1 to 5 years	More than 5 years
Assets							
Cash and gold on hand	-	-	1,012,228	-	-	-	1,012,228
Balances with the SBV	-	-	3,374,359	-	-	-	3,374,359
Balances with and loans to other CIs	-	-	23,152,679	2,588,500	-	-	25,741,179
Securities held for trading - gross	-	-	2,705,920	-	-	-	2,705,920
Derivatives and other financial assets	-	-	-	121,495	23,109	-	144,604
Loans to customers - gross	2,020,962	114,722	4,202,222	5,100,583	51,829,478	22,797,120	108,869,236
Investment securities - gross	-	-	20,760,908	650,000	2,822,629	6,577,611	32,220,501
Long-term investments - gross	-	-	-	-	-	-	131,666
Fixed assets and investment property	-	-	-	-	-	-	1,103,421
Other assets - gross	-	-	375,980	1,489,039	1,509,583	2,753,581	6,128,183
Total assets	2,020,962	114,722	55,584,296	9,949,617	56,184,799	32,128,312	181,431,297
Liabilities							
Amounts due to the Government and the SBV	-	-	25,240	60,968	119,494	-	205,702
Deposits and borrowings from other CIs	-	-	39,779,179	2,457,464	280,030	-	42,516,673
Deposits from customers	-	-	32,262,653	18,678,351	48,458,611	13,876,982	113,276,597
Other borrowed and entrusted funds	-	-	-	-	-	1,020	1,020
Valuable papers issued	-	-	104,610	457,490	3,995,220	1,541,420	7,064,740
Other liabilities	-	-	872,941	693,975	1,529,781	375,481	3,472,178
Total liabilities	-	-	73,044,623	22,348,248	54,383,136	15,794,903	166,536,910
Net liquidity gap	2,020,962	114,722	(17,460,327)	(12,398,631)	1,801,663	16,333,409	14,894,387

46. Seasonal factors

SeABank's operation results are not affected by seasonal or cyclical factors except for the following items:

(a) Statutory reserves

The reserves as described in Note 3(r) will be appropriated at the end of the annual accounting period.

47. Events after the reporting date

Till the issuance date of these consolidated interim financial statement, no significant events have occurred since 30 June 2021 that could materially affect the financial status of SeABank that require adjustments or disclosures in the consolidated interim financial statement as at 30 June 2021 and for six-month period then end.

48. Other events

In 2020, Vietnam's economy and society were dramatically affected by the Covid-19 pandemic.

The Covid-19 pandemic was firstly identified in Vietnam on 23 January 2020 and has greatly affected people's income and business activities of many enterprises in various sectors. The Vietnamese Government has implemented various control and prevention measures, notably the implementation of social distancing and gradual promotion of universal vaccination. However, the spread and development of the epidemic in Vietnam these days is very complicated. The extent to which the Covid-19 pandemic affects SeABank's business depends on future disease developments, including the timing and extent of the disease's spread, and on unpredictable information at the date of these consolidated interim financial statements.

During six-month period ended 30 Jun 2021, SeABank restructured loan repayment periods, offered exemption/reduction of interest/fees to and kept debt groups unchanged for customers affected by the Covid-19 in accordance with Circular 01 and Circular 03 (Note 3(h)(ii)).

49. Changes in the structure of SeABank

From 1 January 2021 to the issuance date of these consolidated interim financial statements, there are no significant changes in the structure of SeABank.

12 August 2021

Prepared by:



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Preparer

Approved by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

