



Southeast Asia Commercial Joint Stock Bank

Consolidated Interim Financial Statements
for the six-month period ended 30 June 2022



Southeast Asia Commercial Joint Stock Bank

Bank Information

Banking Operation Licence No.	0051/QD/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 issuance date. The Banking Operation Licence have been amended several times, the most recent of which is under Decision No.1309/QĐ-NHNN dated 28 July 2022 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 34 th amendment dated 4 May 2022 issued by Hanoi Department of Planning and Investment.	
Board of Directors	Mr. Le Van Tan Ms. Nguyen Thi Nga Ms. Le Thu Thuy Ms. Khuc Thi Quynh Lam Mr. Hoang Minh Tan Mr. Bui Trung Kien Ms. Ngo Thi Nhai Mr. Mathew Nevil Welch	Chairman Standing Vice Chairwoman Vice Chairwoman Vice Chairwoman Member Member Independent Member Independent Member (from 21 April 2022)
Board of Management	Ms. Le Thu Thuy Mr. Faussier Loic Michel Marc Mr. Le Quoc Long Ms. Nguyen Thi Thu Huong Mr. Nguyen Tuan Cuong Mr. Vu Dinh Khoan Mr. Nguyen Ngoc Quynh Ms. Tran Thi Thanh Thuy Mr. Hoang Manh Phu Ms. Dang Thu Trang Mr. Vo Long Nhi	General Director (until 11 July 2022) Senior Deputy General Director (from 11 July 2022) Standing Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director
Legal Representative	Mr. Le Van Tan	Chairman of Board of Directors
Registered office	No. 198, Tran Quang Khai, Ly Thai To Ward Hoan Kiem District, Hanoi, Vietnam	
Auditors	KPMG Limited Vietnam	

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 2022.

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 74 give a true and fair view of the consolidated financial position of SeABank as at 30 June 2022, 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



Nguyen Thi Thu Huong
Deputy General Director

Hanoi, 12 August 2022



KPMG Limited
46th Floor, Keangnam Landmark 72
E6 Pham Hung Road, Me Tri Ward
South Tu Liem District, Hanoi, Vietnam
+84 (24) 3946 1600 | kpmg.com.vn

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 statement of financial position as at 30 June 2022, 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 2022, as set out on pages from 5 to 74.

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 2022 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. 22-02-00133-22-2



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

Hanoi, 12 AUG 2022

Tran Dinh Vinh
Practicing Auditor Registration
Certificate No. 0339-2018-007-1

	Note	30/6/2022 VND million	31/12/2021 VND million
A ASSETS			
I Cash and gold on hand	4	1,033,269	1,076,028
II Balances with the State Bank of Vietnam ("SBV")	5	3,832,672	4,799,360
III Deposits with and loans to other credit institutions ("CIs")	6	52,343,826	42,590,477
1 Deposits with other CIs		47,905,460	35,233,492
2 Loans to other CIs		4,438,366	7,356,985
IV Held-for-trading securities	7	13,407,656	13,082,630
1 Held-for-trading securities		13,407,758	13,094,009
2 Allowance for held-for-trading securities		(102)	(11,379)
V Derivatives and other financial assets	8	176,824	-
VI Loans and advances to customers		144,534,510	125,806,542
1 Loans and advances to customers	9	146,783,660	127,588,159
2 Allowance for loans and advances to customers	10	(2,249,150)	(1,781,617)
VIII Investment securities		5,843,907	16,819,782
1 Available-for-sale investment securities	11(a)	5,153,325	16,199,886
2 Held-to-maturity investment securities	11(b)	704,860	663,222
3 Allowance for investment securities	12	(14,278)	(43,326)
IX Capital contribution, long-term investments	13	85,415	85,091
4 Other long-term investments		86,534	86,534
5 Allowance for diminution in value of long-term investments		(1,119)	(1,443)
X Fixed assets		935,256	882,503
1 Tangible fixed assets	14	308,763	286,268
a Cost		726,313	678,972
b Accumulated depreciation		(417,550)	(392,704)
3 Intangible fixed assets	15	626,493	596,235
a Cost		805,190	760,635
b Accumulated amortisation		(178,697)	(164,400)
XI Investment property	16	58,607	65,564
a Cost		64,439	70,809
b Accumulated depreciation		(5,832)	(5,245)
XII Other assets	17	7,471,283	6,455,538
1 Receivables		2,201,510	1,991,841
2 Accrued interest and fees receivable		2,656,165	1,679,591
4 Other assets		2,654,038	2,825,200
In which: Goodwill		445,034	480,637
5 Allowance for other on-balance sheet assets		(40,430)	(41,094)
TOTAL ASSETS		229,723,225	211,663,515

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

		Note	30/6/2022 VND million	31/12/2021 VND million
B	LIABILITIES AND OWNERS' EQUITY			
	LIABILITIES			
I	Amounts due to the Government and the SBV	18	2,155,809	2,172,763
1	Deposits and borrowings from the Government and the SBV		2,155,809	2,172,763
II	Deposits and borrowings from other CIs	19	63,121,369	58,365,998
1	Deposits from other CIs		47,365,269	35,552,732
2	Borrowings from other CIs		15,756,100	22,813,266
III	Deposits from customers	20	116,729,330	109,784,637
IV	Derivatives and other financial liabilities	8	-	47,804
V	Other borrowed and entrusted funds		1,020	1,020
VI	Valuable papers issued	21	19,821,600	19,053,200
VII	Other liabilities	22	4,337,297	3,574,829
1	Accrued interest and fee payables		3,504,994	2,947,979
3	Other liabilities		832,303	626,850
	TOTAL LIABILITIES		206,166,425	193,000,251
	OWNERS' EQUITY			
VIII	Capital and reserves	23	23,556,800	18,663,264
1	Capital		20,716,168	15,595,507
a	Charter capital		19,808,983	14,784,884
c	Share premium		907,185	810,623
2	Reserves		568,642	855,641
3	Foreign exchange differences		17,744	-
5	Retained earnings		2,254,246	2,212,116
6	Non-controlling interest		-	-
	TOTAL OWNERS' EQUITY		23,556,800	18,663,264
	TOTAL LIABILITIES AND OWNERS' EQUITY		229,723,225	211,663,515

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

	Note	30/6/2022 VND million	31/12/2021 VND million
OFF-BALANCE SHEET ITEMS	35		
1 Loan guarantees		-	-
2 Foreign exchange commitments			
Foreign currency purchase commitments		1,762,768	1,430,311
Foreign currency sale commitments		688,622	625,751
Swap commitments		112,122,651	92,376,380
4 Letters of credit		2,271,911	1,782,559
5 Other guarantees		5,334,764	4,228,007
7 Uncollected loan interest and fees		1,770,984	2,234,445
8 Written-off bad debts		10,549,422	10,048,084
9 Other assets and documents in custody		1,504,642	1,524,891
10 Interest rate swaps		10,029,770	8,089,470

12 August 2022

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 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
1 Interest and similar income	26	6,817,814	5,967,242
2 Interest and similar expenses	27	(3,525,617)	(3,536,840)
I Net interest income		3,292,197	2,430,402
3 Fee and commission income		883,453	737,537
4 Fee and commission expenses		(119,594)	(268,354)
II Net fee and commission income	28	763,859	469,183
III Net gain from trading of foreign currencies	29	118,301	93,832
IV Net gain/(loss) from held-for-trading securities	30	208,703	(24,140)
V Net gain from investment securities	31	559,923	128,964
5 Other income		198,255	215,202
6 Other expenses		(119,579)	(117,196)
VI Net other income	32	78,676	98,006
VII Gains from capital contribution, shares purchase	33	7,512	2,778
VIII Operating expenses	34	(1,526,177)	(1,224,692)
IX Net operating profit before allowance expenses for credit losses		3,502,994	1,974,333
X Allowance expenses for credit losses		(696,708)	(417,965)
XI Profit before tax		2,806,286	1,556,368
7 Corporate income tax expenses – current		(555,522)	(317,995)
XII Income tax expense	36	(555,522)	(317,995)
XIII Profit after tax		2,250,764	1,238,373
XIV Non-controlling interest		-	-
			(restated)
XV Basic earnings per share (VND/share)	37	1,129	660

12 August 2022

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 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
CASH FLOWS FROM OPERATING ACTIVITIES		
01 Interest and similar income received	5,841,240	5,885,429
02 Interest and similar expenses paid	(2,968,602)	(3,595,707)
03 Net fees and commission income received	763,485	468,514
04 Net receipts from trading activities (foreign currencies, gold and securities)	846,602	265,167
05 Other income	36,969	64,180
06 Collection of bad debts previously written off	41,707	33,826
07 Payments for salary and operating expenses	(1,486,365)	(1,185,122)
08 Corporate income tax paid during the period	(465,753)	(257,145)
Cash flows from operating activities before changes in operating assets and liabilities	2,609,283	1,679,142
Changes in operating assets		
09 Decrease/(increase) in balances with and loans to other CIs	2,918,619	(753,919)
10 Decrease in held-for-trading securities	10,691,174	3,415,961
11 (Increase)/decrease in derivatives and other financial assets	(224,628)	172,325
12 Increase in loans and advances to customers	(19,195,501)	(2,708,894)
13 Utilisation of allowance	(229,175)	(115,113)
14 Increase in other operating assets	(42,306)	(1,162,615)
Changes in operating liabilities		
15 Decrease in amounts due to the Government and the SBV	(16,954)	(15,283)
16 Increase in deposits and borrowings from other CIs	4,755,371	9,546,032
17 Increase/(decrease) in deposits from customers	6,944,693	(5,292,725)
18 Increase in valuable papers issued	768,400	1,115,270
20 Increase in other operating liabilities	42,581	135,356
I NET CASH FLOWS FROM OPERATING ACTIVITIES	9,021,557	6,015,537

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
CASH FLOWS FROM INVESTING ACTIVITIES		
01 Purchase of fixed assets	(92,966)	(42,320)
04 Purchase of investment property	-	(6,517)
05 Proceeds from sales, disposals of investment property	6,744	182,069
08 Collections on investments in other entities	-	6,543
09 Receipt of dividends and profit from long-term investments	7,512	892
II NET CASH FLOWS FROM INVESTING ACTIVITIES	(78,710)	140,667
CASH FLOWS FROM FINANCING ACTIVITIES		
01 Proceeds from issuing shares	2,719,674	-
III NET CASH FLOWS FROM FINANCING ACTIVITIES	2,719,674	-
IV NET CASH FLOWS DURING THE PERIOD	11,662,521	6,156,204
V CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE PERIOD	41,108,880	30,027,766
VII CASH AND CASH EQUIVALENTS AT THE END OF THE PERIOD	52,771,401	36,183,970

12 August 2022

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

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 the 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 2022, the Bank's charter capital was VND19,808,983 million (31/12/2021: VND14,784,884 million). The Bank issued 1,980,898,268 ordinary shares (31/12/2021: 1,478,488,369 ordinary shares) with the par value of VND10,000 per share.

(c) Location and network

The Bank's Head Office is located at No. 198, Tran Quang Khai Street, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam. As at 30 June 2022, 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 (31/12/2021: 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).

At the reporting date, the Bank has two (02) subsidiaries (31/12/2021: two (02) subsidiaries) as follows:

Company name	Operation License No.	Business sector	% owned by the Bank
SeABank Asset Management Company Limited	0103099985 dated 16 December 2008 issued by Hanoi Planning and Investment Department and the most recent amendment on 24 October 2018.	Debt and asset management	100%
Post and Telecommunication Finance Company Limited	96/GP-NHNN dated 28 September 2018 and amended under Decision No.1656/QD-NHNN dated 20 October 2021 of the Governor of the State Bank of Vietnam.	Consumer finance	100%

(d) Total number of employees

As at 30 June 2022, SeABank had 5,320 employees (31/12/2021: 4,972 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 Vietnamese accounting principles, procedures and practices applicable to 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 2022.

(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

Foreign currency transactions

All transactions are recorded in their original currencies. Monetary items denominated in currencies other than VND are translated into VND at the average buying and selling spot exchange rate (gold is converted at the average buying and selling 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 exchange rate of the last working day of the accounting period is less than 1% (refer to Note 45(b) for details of foreign exchange rates as at 30 June 2022). If the difference between the average buying and selling spot exchange rate at the end of the last working day of the accounting period and the weighted average buying and selling exchange rate of the last working day of the accounting period is 1% or more, SeABank shall use the weighted average buying and selling exchange 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 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 the SBV, Government treasury bills and other short-term valuable papers which are eligible for rediscount with the SBV, balances with other CIs without a term and with original terms to maturity not exceeding three months and securities with recovery or maturity period not exceeding three months from the acquisition date.

(d) Deposits with and loans to other credit institutions

Deposits with other CIs, except for current deposits, are deposits at other CIs with original terms 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 cost 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.11/2021/TT-NHNN dated 30 July 2021 ("Circular 11") of the SBV on the classification of assets, credit loss allowance level, allowance calculation method and utilisation of allowance in operations of credit institutions and foreign bank branches. 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 11, the SeABank is not required to make general allowance for balances with and loans to other CIs.

(e) Held-for-trading securities and investment securities

(i) Classification

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

(iii) **Measurement**

Debt securities

For debt held-for-trading securities, 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 end of the accounting period. If there is no transaction within 10 days to the end of the accounting period, 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. An allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that would have 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 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 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 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 held-for-trading securities and investment securities when the contractual rights to the cash flows from these securities expired or when the significant risks and rewards of ownership of these securities have been transferred.

(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 causing diminution in the value of the Bank's original investment, except when there is evidence that the value of the investment has not been diminished. Allowance for diminution in value is determined as the total actual contributed capital of parties to the investee less (-) the actual owner's equity multiplied (x) by the SeABank's ownership percentage in the investee.

The allowance is reversed if the recoverable amounts are subsequently increased after the allowance was recognised. An allowance is reversed only to the extent that the investment's carrying amount does not exceed the carrying amount that would have been determined if no allowance had been 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 not more than 1 year from the loan disbursement date. Medium-term loans are those with maturity term between 1 year and 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 11 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 term deposits with and loans to other CIs and foreign bank branches, purchase of unlisted corporate bonds, loans and advances to customers, entrusted extension of credit, debts already sold but not yet collected, debts repurchased, repurchase of Government bonds, purchase of treasury notes, treasury bills, certificates of deposit issued by other credit institutions or foreign bank branches (collectively referred to as “debts”) is implemented in accordance with Circular 11. Accordingly, SeABank implements monthly debt classification based on outstanding principal balance of debts at the last day of the month.

SeABank implements debt classification using the quantitative method as follows:

<i>Debt group</i>		<i>Overdue status</i>
1	Current	(a) Current debts being assessed as fully and timely recoverable, both principal and interest; or (b) Debts being overdue for less than 10 days and being assessed as fully recoverable, both overdue principal and interest, and fully and timely recoverable, both remaining principal and interest.
2	Special mentioned	(a) Debts being overdue up to 90 days; or (b) Debts having terms of repayment rescheduled for the first time.
3	Sub-standard	(a) Debts being overdue between 91 days and 180 days; or (b) Debts having terms of repayment extended for the first time which is undue; or (c) Debts having interest exempt or reduced because customers are not able to pay the interest according to the credit contract; or (d) Debts falling in one of the following cases not yet collected within 30 days since the issuance date of recovery decision: <ul style="list-style-type: none"> ▪ Debts having violated regulations specified in Points 1, 3, 4, 5, 6 of Article 126 of Laws on Credit Institutions; or ▪ Debts having violated regulations specified in Points 1, 2, 3, 4 of Article 127 of Laws on Credit Institutions; or ▪ Debts having violated regulations specified in Points 1, 2, 5 of Article 128 of Laws on Credit Institutions. (e) Debts in the collection process under inspection conclusions; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period of less than 30 days from the date of the collection decision.
4	Doubtful	(a) Debts being overdue between 181 days and 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue up to 90 days according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time which is undue; or (d) Debts specified in point (d) of Sub-standard debts not yet collected between 30 days and 60 days since the issuance date of recovery decision; or

<i>Debt group</i>		<i>Overdue status</i>
		<p>(e) Debts in the collection process under inspection conclusions but being overdue up to 60 days according to recovery term; or</p> <p>(f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period between 30 to 60 days from the date of the collection decision.</p>
5	Loss	<p>(a) Debts being overdue more than 360 days; or</p> <p>(b) Debts having terms of repayment rescheduled for the first time and being overdue from 91 days and more according to the first rescheduled terms of repayment; or</p> <p>(c) Debts having terms of repayment rescheduled for the second time and being overdue according to the second reschedule terms of repayment; or</p> <p>(d) Debts having terms of repayment rescheduled for the third time or more, regardless of whether the debts are overdue or not; or</p> <p>(e) Debts specified in point (d) of Sub-standard debts not yet collected over 60 days since the issuance date of recovery decision; or</p> <p>(f) Debts in the collection process under inspection conclusions but being overdue of more than 60 days according to recovery term; or</p> <p>(g) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected for more than 60 days from the date of the collection decision; or</p> <p>(h) Debts to credit institutions being announced under special supervision status by the SBV, or to foreign bank branches of which capital and assets are blockaded.</p>

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

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

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

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

Debt classification for the debts with restructured debt repayment schedule, waiver/reduction of interest/fees to assist customers affected by the Covid-19 pandemic

SeABank has adopted Circular No. 14/2021/TT-NHNN dated 7 September 2021 (“Circular 14”) and Circular No. 03/2021/TT-NHNN dated 2 April 2021 (“Circular 03”) issued by the SBV amending and supplementing some articles Circular No. 01/2020/TT-NHNN issued by the SBV dated 13 March 2020 (“Circular 01”) on restructuring debt repayment schedule, waiving/reducing interest/fees and maintaining the debt classifications in order to support customers affected by Covid-19 pandemic. Accordingly, for customers whose debts originated prior 1 August 2021 and having an obligation to repay principal and/or interest during the period from 23 January 2020 to 30 June 2022 but being unable to repay the principal and/or interest in due time under the signed contract or loan agreement due to declines in revenue or income caused by the impacts of Covid-19 pandemic, SeABank is allowed to restructure the debts repayment schedule, waive/reduce interest/fees and maintain the debts classification as follows:

Time of debt origination	Overdue status	Period of overdue	Debt classification
Prior to 23/1/2020	Either current or overdue for up to 10 days	From 30/3/2020 to 30/6/2022	Maintain the same debt group as classified at the most recent time before 23 January 2020.
From 23/1/2020 and prior to 1/8/2021	Either current or overdue for up to 10 days	From 17/05/2021 and prior to 17/7/2021; or from 7/9/2021 and prior to 30/6/2022	Maintain the same debt group as classified at the most recent time before the date of the first time restructuring of repayment schedule
Prior to 23/1/2020	Overdue	From 23/1/2020 to 29/3/2020	Maintain the same debt group as classified at the most recent time before 23 January 2020.
From 23/1/2020 and prior to 10/6/2020	Overdue	From 23/1/2020 and prior to 17/5/2021	Maintain the same debt group as classified at the most recent time before the date that the debt became overdue.
From 10/6/2020 and prior to 1/8/2021	Overdue	From 17/7/2021 and prior to 7/9/2021	

Moreover, SeABank determines and records the additional specific allowance amount required for the entire debt balance of borrowers, including the debt balances with restructured repayment schedule, interest waived or reduced according to the debt classifications specified under Circular 11 (if not applying the regulations on maintaining debt group unchanged under the provisions of Circular 01, Circular 03 and Circular 14) as follows:

Additional allowance by	Deadline
At least 30% of the additional specific allowance amount shall be made	By 31 December 2021
At least 60% of the additional specific allowance amount shall be made	By 31 December 2022
100% of the additional specific allowance amount shall be made	By 31 December 2023

(ii) **Specific allowance for credit risks**

In accordance with Circular 11, specific allowance for credit risks at the end of each month is determined based on the allowance rates corresponding to debt classification results and debt principal balance as at the last day of the month less discounted value of collateral assets.

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

Group	Type of debt	Specific allowance rate
1	Current debt	0%
2	Special mentioned debt	5%
3	Sub-standard debt	20%
4	Doubtful debt	50%
5	Loss debt	100%

The value and maximum discount rates for collateral assets are determined in accordance with Circular 11, according to which, each type of collateral assets has a specific maximum discount rate for the purpose of calculating allowance for credit risks.

(iii) **General allowance for credit risks**

According to Circular 11, general allowance is also required at the rate of 0.75% of total outstanding principal balance at the last day of each month for debts classified in Group 1 to Group 4 excluding term deposits with and loans to other CIs, purchases of valuable papers issued by other CIs and repurchases of government bonds.

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

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

(v) **Classification and allowance for off-balance sheet commitments**

According to Circular 11, the debt classification of off-balance sheet commitments is done solely for risk management, credit quality supervision of credit granting activities. The Group is not required to make provision for off-balance sheet commitments, except where SeABank has been required to make payment under the guarantee contract, in which case the payment on behalf is classified and provision is made in accordance with the accounting policy as described in Note 3(h).

(i) Derivative financial instruments

(i) Currency forward , swap and option contracts

SeABank involves in derivative contracts including forward and swaps 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 statement of financial position. Differences upon revaluation at the end of the period are recognised as “Foreign exchange differences” on the consolidated statement of financial position and are fully transferred to the statement of income at the end of the 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 consolidated statement of financial position. 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”. Fee paid for buying currency option contracts is amortised to expense on a straight-line basis over the term of the contract from effective date to maturity date.

(ii) Interest rate swap contracts

The swap contracts are commitments to pay interest at a floating rate or a fixed rate charged on a nominal principal amount. The value of the notional principal amount in interest rate swap contracts per currency is recorded in an off-balance sheet account under item “Interest rate swap commitment”. The arising income and expenses are recognised 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 statement of financial position. 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 statement of financial position 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 charged to the consolidated statement of income in the period in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(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 is made based on the overdue status of receivables or expected losses which may incur in case receivables are overdue or undue receivables are likely to become overdue. Allowance expense is recorded in operating expense during the period.

Allowance rates by overdue period are determined 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) Other borrowed and entrusted funds

Other borrowed and entrusted funds include funds received or entrusted to make investments and loans in accordance with a predetermined purpose, and SeABank is responsible for repayment of these funds upon due. SeABank recognises the funds received as "Other borrowed and entrusted funds" and also recognises the investments and loans made from the funds in the financial statements of SeABank.

(p) Valuable papers issued

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

(q) Other payables

Other payables are stated at cost.

(r) 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.

(s) Reserves and fund

(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 promulgating financial regime applicable to credit institutions ("Decree 93"), the Bank is required to make the following reserves before distribution of profits:

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

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 part of equity.

Other equity funds are allocated from (unconsolidated) profit after tax. The appropriation of 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 Company is made in a similar way to the Bank.

Post and Telecommunication Finance Company Limited

According to Decree No. 93/2017/ND-CP, the Company 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 part of equity.

(t) 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. Accrued interest receivable on these loans will be derecognised and recorded as off-balance sheet items. Interest on these debts is recognised in the consolidated statement of income upon receipt.

(ii) Fee and commission income

Fee and commissions 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.

(u) Interest expenses

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

(v) Fee and commission expenses

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

(w) Operating lease payments

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

(x) 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 statement of financial position 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.

(y) 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 the Bank's leaders or key shareholders and those businesses that have a key managing member with the Bank;
- Representatives for SeABank's paid-in capital and shares.

(z) Basic earnings per share

SeABank presents basic earnings per share for its ordinary shares. Basic earnings per share 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.

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 potential ordinary shares arising from convertible bonds and stock options. As at 30 June 2022 and for the six-month period then ended SeABank does not have any potential ordinary shares; therefore, the presentation of diluted earnings per share is not applicable.

(aa) Segment reporting

A segment is a separately identifiable component of SeABank involved in the provision of related products or services (business segmenting) or the provision of products or services within one specific economic environment (geographic segmenting). Each of these segments bears different risks and benefits from the others. SeABank's primary format for segment reporting is based on business segments.

(bb) 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.

(cc) Nil balances

Items or balances required by Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 ("Decision 16") of the 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 the 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 interim financial statements indicate nil balances.

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

	30/6/2022 VND million	31/12/2021 VND million
Cash on hand in VND	723,076	799,608
Cash on hand in foreign currencies	308,438	276,213
Gold	1,755	207
	1,033,269	1,076,028

5. Balances with the SBV

	30/6/2022 VND million	31/12/2021 VND million
Balances with the SBV in VND	3,793,550	2,543,854
Balances with the SBV in foreign currencies	14,122	2,230,506
Guarantee deposit	25,000	25,000
	3,832,672	4,799,360

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.

Period-end/year-end CRR rates were as follows:

Deposits in scope	CRR rates	
	30/6/2022	31/12/2021
▪ 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. Deposits with and loans to other CIs

	30/6/2022 VND million	31/12/2021 VND million
Current accounts		
Current accounts in VND	7,253,583	12,264,081
Current accounts in foreign currencies	1,539,119	728,371
Term deposits		
Term deposits in VND	36,261,570	18,358,240
Term deposits in foreign currencies	2,851,188	3,882,800
	47,905,460	35,233,492
Loans to other CIs		
Loans to other CIs in VND	4,438,366	5,083,507
Loans to other CIs in foreign currencies	-	2,273,478
	52,343,826	42,590,477

As at 30 June 2022 and 31 December 2021, all term deposits with and loans to other credit institutions were Group 1 - Current debts.

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

	30/6/2022 % per annum	31/12/2021 % per annum
▪ Term deposits in VND	0.60% - 5.00%	1.10% - 5.00%
▪ Term deposits in foreign currencies	0.82% - 1.75%	0.10% - 0.50%
▪ Loans in VND	0.25% - 5.25%	0.25% - 2.70%
▪ Loans in foreign currencies	Not applicable	0.20% - 1.54%

7. Held-for-trading securities

	30/6/2022 VND million	31/12/2021 VND million
Debt securities		
Bonds issued by the Government	10,917,585	8,544,746
Bonds issued by local CIs	2,490,173	3,045,688
Bonds/Certificates of deposits issued by local economic entities	-	1,503,575
	13,407,758	13,094,009
Allowance for held-for-trading securities		
General allowance for unlisted corporate bonds (i)	-	(11,277)
Allowance for diminution in value of held-for-trading securities (ii)	(102)	(102)
	(102)	(11,379)
	13,407,656	13,082,630

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

	30/6/2022 VND million	31/12/2021 VND million
Listed	11,075,826	9,076,713

(i) Movements in general allowance for held-for-trading securities during the period were as follows:

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Opening balance	11,277	4,765
Allowance (reversed)/made during the period	(11,277)	24,580
Closing balance	-	29,345

(ii) Movements in allowance for diminution in value of held-for-trading securities during the period were as follows:

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Opening balance	102	7,306
Allowance made during the period	-	18,584
Closing balance	102	25,890

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

	30/06/2022		31/12/2021	
	Term	Interest rate per annum	Term	Interest rate per annum
Government bonds	15 years - 30 years	2.5% - 7.9%	10 years - 30 years	2.2% - 8.7%
Bonds issued by local credit institutions (in VND)	10 years	2.7% - 4.4%	2 years - 15 years	2.7% - 7.6%
Bonds issued by local economic entities (in VND)	Not applicable	Not applicable	1.5 years - 10 years	7.5% - 10%
Certificates of deposits issued by other local CIs	0.5 years - 2 years	3.7% - 11.5%	1 years - 2 years	6.5% - 11.5%

8. Derivatives and other financial liabilities

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

	As at 30 June 2022		As at 31 December 2021	
	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/ (Liabilities) VND million	VND million	Assets/ (Liabilities) VND million
Currency forward contracts	23,693,032	18,038	44,384,185	4,052
Interest rate forward contracts	7,937	(6)	-	-
Currency swap contracts	110,413,980	171,772	92,696,124	(104,126)
Interest rate swap contracts	3,478,270	(12,980)	3,478,270	52,270
	137,593,219	176,824	140,558,579	(47,804)

9. Loans to customers

	30/6/2022 VND million	31/12/2021 VND million
Loans to local economic entities and individuals	146,406,989	127,202,660
Payments on behalf of customers	5,761	5,761
Loans to foreign economic entities and individuals	370,910	379,738
	<u>146,783,660</u>	<u>127,588,159</u>

Loans portfolio by debt classification was as follows:

	30/6/2022 VND million	31/12/2021 VND million
Group 1 - Current debt	143,966,724	125,274,231
Group 2 - Special mentioned debt	467,226	209,319
Group 3 - Sub-standard debt	445,031	345,515
Group 4 - Doubtful debt	436,741	331,680
Group 5 - Loss debt	1,467,938	1,427,414
	<u>146,783,660</u>	<u>127,588,159</u>

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

Loan portfolio by term was as follows:

	30/6/2022 VND million	31/12/2021 VND million
Short-term loan	93,439,585	72,328,675
Medium-term loan	21,809,059	27,424,345
Long-term loan	31,535,016	27,835,139
	<u>146,783,660</u>	<u>127,588,159</u>

Loan portfolio by customer type and ownership was as follows:

	30/6/2022	%	31/12/2021	%
	VND		VND million	
	million			
Loans to economic entities				
State-owned companies	1,788,724	1.22	1,447,697	1.13
Limited liability companies	49,385,901	33.65	42,546,685	33.35
Joint stock companies in which the State's holding percentage is more than 50% (dominating percentage)	3,113,604	2.12	3,105,530	2.43
Other joint stock companies	56,677,819	38.61	50,595,918	39.66
Partnerships	34,097	0.02	24,154	0.02
Private companies	72,810	0.05	155,845	0.12
Foreign invested enterprises	407,072	0.28	437,743	0.34
Cooperatives, cooperative unions	16,565	0.01	35,714	0.03
Loans to individuals				
Household business, individuals	35,276,386	24.03	29,234,563	22.92
Other loans				
Other economic sectors	10,682	0.01	4,310	0.00
	146,783,660	100.00	127,588,159	100.00

Loan portfolio by currency

	30/6/2022	31/12/2021
	VND million	VND million
Loans in VND	143,469,627	124,552,865
Loans in foreign currencies	3,314,033	3,035,294
	146,783,660	127,588,159

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

	30/6/2022	31/12/2021
Loans in VND	3.5% - 10.15%	3.5% - 10.35%
Loans in foreign currencies	2.5% - 3.8%	2.5% - 3.64%

10. Allowance for loans to customers

Allowance for loans to customers consists of:

	30/6/2022 VND million	31/12/2021 VND million
General allowance (i)	1,090,104	946,205
Specific allowance (ii)	1,159,046	835,412
	<u>2,249,150</u>	<u>1,781,617</u>

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

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Opening balance	946,205	742,708
Allowance made during the period	143,899	81,741
Closing balance	<u>1,090,104</u>	<u>824,449</u>

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

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Opening balance	835,412	365,614
Allowance made during the period	552,809	336,225
Utilisation of allowance	(229,175)	(115,113)
Closing balance	<u>1,159,046</u>	<u>586,726</u>

11. Investment securities

(a) Available-for-sale securities

	30/6/2022 VND million	31/12/2021 VND million
Debt securities		
▪ Bonds issued by the Government	585,224	6,705,572
▪ Debt securities issued by other local CIs	1,667,592	1,829,073
▪ Debt securities issued by local economic entities	250,000	5,457,404
▪ Certificates of deposits issued by other local CIs	2,568,455	2,125,783
	<hr/> 5,071,271	<hr/> 16,117,832
Equity securities		
▪ Equity securities issued by local economic entities	82,054	82,054
	<hr/> 5,153,325	<hr/> 16,199,886

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

	30/6/2022		31/12/2021	
	Term	Interest rate per annum	Term	Interest rate per annum
Bonds issued by the Government	7 years - 30 years	2.1% - 6.6%	5 years - 30 years	2.2% - 8.8%
Debt securities issued by other local CIs	2 years - 15 years	2.5% - 15%	1 year - 15 years	2.9% - 15%
Debt securities issued by local economic entities	4 years	11%	5 years - 10 years	7.5% - 11%
Certificates of deposits issued by other local CIs	1 year - 3 years	2.4% - 11.5%	1 year - 3 years	2.9% - 11.5%

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

	30/6/2022 VND million	31/12/2021 VND million
Current debt	250,000	5,457,404

(b) Held-to-maturity securities

	30/6/2022 VND million	31/12/2021 VND million
Bonds issued by local economic entities	704,860	663,222

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

	30/6/2022		31/12/2021	
	Term	Interest rate per annum	Term	Interest rate per annum
Held-to-maturity securities				
Bonds issued by local economic entities	1 year - 10 years	8% - 8.90%	1 year - 10 years	8% - 8.90%

12. Allowance for investment securities

	30/6/2022 VND million	31/12/2021 VND million
Available-for-sale securities (i)	11,883	40,931
Held-to-maturity securities	2,395	2,395
	14,278	43,326

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

Six-month period ended 30 June 2022

	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	40,931	-	40,931
Allowance (reversed)/made during the period	(39,056)	10,008	(29,048)
Closing balance	1,875	10,008	11,883

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	35,691	25,457	61,148

13. Long-term investments

	30/6/2022 VND million	31/12/2021 VND million
Other long-term investments (i)	86,534	86,534
Allowance for diminution in value of long-term investments (ii)	(1,119)	(1,443)
	<u>85,415</u>	<u>85,091</u>

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

Investees' names	30/6/2022		31/12/2021	
	Cost VND million	% owned	Cost VND million	% owned
Vietnam National Payment Joint Stock Company	3,300	1.06%	3,300	1.06%
ASEAN Jewellery Joint Stock Company (AJC)	24,102	10.00%	24,102	10.00%
PetroVietnam Oil Mien Trung Joint Stock Company	4,800	1.59%	4,800	1.59%
PetroVietnam Oil Saigon Joint Stock Company	10,000	5.00%	10,000	5.00%
PetroVietnam Oil Vung Tau Joint Stock Company	10,000	8.33%	10,000	8.33%
Phu My Oil Processing Joint Stock Company	11,000	2.20%	11,000	2.20%
PetroVietnam Oil Tay Ninh Joint Stock Company	12,470	9.59%	12,470	9.59%
PetroVietnam Oil Hanoi Joint Stock Company	7,500	3.00%	7,500	3.00%
Global Data Service Joint Stock Company	2,670	2.13%	2,670	2.13%
Vietnam Human Mind Development Joint Stock Company	436	9.99%	436	9.99%
Post Office Investment Consulting and Construction Joint Stock Company	256	0.45%	256	0.45%
	<u>86,534</u>		<u>86,534</u>	

(ii) Movements in allowance for diminution in value of long-term investments:

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Opening balance	1,443	28,754
Allowance (reversed)/made during the period	(324)	1,443
Closing balance	<u>1,119</u>	<u>30,197</u>

14. Tangible fixed assets

Six-month period ended 30 June 2022

	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	259,005	290,409	99,074	12,357	678,972
Additions	1,153	8,512	28,257	9,419	-	47,341
Closing balance	19,280	267,517	318,666	108,493	12,357	726,313
Accumulated depreciation						
Opening balance	5,081	142,976	159,235	76,695	8,717	392,704
Charge for the period	525	8,142	11,249	4,545	385	24,846
Closing balance	5,606	151,118	170,484	81,240	9,102	417,550
Net book value						
Opening balance	13,046	116,029	131,174	22,379	3,640	286,268
Closing balance	13,674	116,399	148,182	27,253	3,255	308,763

Included in tangible fixed assets were assets costing VND75,033 million which were fully depreciated as of 30 June 2022 (31/12/2021: VND74,523 million), but which are still in active use.

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

15. Intangible fixed assets

Six-month period ended 30 June 2022

	Land use rights VND million	Software VND million	Other intangible fixed assets VND million	Total VND million
Cost				
Opening balance	377,995	371,507	11,133	760,635
Additions	6,378	39,248	-	45,626
Disposals	-	(1,071)	-	(1,071)
Closing balance	384,373	409,684	11,133	805,190
Accumulated amortisation				
Opening balance	-	158,449	5,951	164,400
Charge for the period	-	14,603	765	15,368
Disposals	-	(1,071)	-	(1,071)
Closing balance	-	171,981	6,716	178,697
Net book value				
Opening balance	377,995	213,058	5,182	596,235
Closing balance	384,373	237,703	4,417	626,493

Included in intangible fixed assets were assets costing VND34,400 million which were fully amortised as of 30 June 2022 (31/12/2021: VND21,447 million), but which are still in active use.

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
Additions	-	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

16. Investment property

Six-month period ended 30 June 2022

	Land use rights VND million	Buildings and structures VND million	Total VND million
Cost			
Opening balance	28,282	42,527	70,809
Decreases	(6,370)	-	(6,370)
Closing balance	21,912	42,527	64,439
Accumulated depreciation			
Opening balance	-	5,245	5,245
Charge for the period	-	587	587
Closing balance	-	5,832	5,832
Net book value			
Opening balance	28,282	37,282	65,564
Closing balance	21,912	36,695	58,607

Six-month period ended 30 June 2021

	Land use rights VND million	Buildings and structures VND million	Total VND million
Cost			
Opening balance	207,460	41,600	249,060
Additions	1,601	15,778	17,379
Decreases	(192,262)	(3,990)	(196,252)
Closing balance	16,799	53,388	70,187
Accumulated depreciation			
Opening balance	-	8,126	8,126
Charge for the period	-	521	521
Decreases	-	(3,990)	(3,990)
Closing balance	-	4,657	4,657
Net book value			
Opening balance	207,460	33,474	240,934
Closing balance	16,799	48,731	65,530

17. Other assets

	30/6/2022 VND million	31/12/2021 VND million
Receivables		
Internal receivables	469,442	410,722
External receivables	1,732,068	1,581,119
In which:		
- Receivables from usance payable at sight letters of credit (i)	1,433,314	1,339,893
- Other external receivables	298,754	241,226
Interest and fee receivables	2,656,165	1,679,591
Other assets		
Prepaid expenses	1,577,566	1,288,185
Assets foreclosed	619,581	908,982
Goodwill	445,034	480,637
Other assets	11,857	147,396
	7,511,713	6,496,632
Allowance for other on-balance sheet assets (ii)	(40,430)	(41,094)
	7,471,283	6,455,538

(i) Receivables from UPAS L/C are receivables from commodity buyers (importers) who are the Bank's customers related to the UPAS L/C Usance Payable At Sight Letters of Credit issued by the Bank. Accordingly, the Bank, through a corresponding bank, made 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 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Opening balance	41,094	34,665
Allowance (reversed)/made during the period	(664)	6,429
	40,430	41,094

18. Amounts due to the Government and the SBV

	30/6/2022 VND million	31/12/2021 VND million
Borrowings from the SBV	2,155,809	2,172,763

19. Deposits and borrowings from other credit institutions

	30/6/2022 VND million	31/12/2021 VND million
Demand deposits from other CIs		
In VND	7,281,431	12,260,723
Term deposits from other CIs		
In VND	33,683,213	20,939,489
In foreign currencies	6,400,625	2,352,520
	47,365,269	35,552,732
Borrowings from other CIs		
In VND	9,351,140	17,889,112
<i>In which: - Borrowings on discounted and rediscounted valuable papers</i>	7,449,782	11,549,130
<i>- Borrowings on mortgages and pledges</i>	-	2,564,883
In foreign currencies	6,404,960	4,924,154
	15,756,100	22,813,266
	63,121,369	58,365,998

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

	30/6/2022	31/12/2021
Term deposits in VND	0.70% - 3.75%	1.15% - 3.6%
Term deposits in foreign currencies	0.84% - 1.85%	0.2% - 0.45%
Borrowings in VND	0.80% - 4.37%	0.8% - 4.73%
Borrowings in foreign currencies	0.50% - 4.40%	0.53% - 2.9%

20. Deposits from customers

	30/6/2022 VND million	31/12/2021 VND million
Demand deposits		
Demand deposits in VND	9,129,719	7,839,549
Demand deposits in foreign currencies	948,225	660,476
Savings deposits and term deposits		
Savings deposits and term deposits in VND	104,923,522	98,931,537
Savings deposits and term deposits in foreign currencies	913,272	1,118,662
Deposits for special purpose	392,811	350,626
Margin deposits	421,781	883,787
	116,729,330	109,784,637

Deposits from customers by customer type and ownership was as follows:

	30/6/2022 VND million	31/12/2021 VND million
State-owned enterprises	12,549,334	10,736,497
Limited liability companies	8,836,040	7,980,355
Joint stock companies in which the State's holding percentage is more than 50%	5,763,797	7,331,166
Other joint stock companies	18,906,799	15,082,426
Partnerships	33,017	13,807
Private companies	351,457	391,654
Foreign invested enterprises	879,682	955,081
Cooperatives, cooperative unions	109,905	145,415
Household business, individuals	68,808,983	66,614,614
Others	490,316	533,622
	116,729,330	109,784,637

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

	30/6/2022	31/12/2021
Demand deposits in VND	0% - 0.2%	0% - 0.2%
Demand deposits in foreign currencies	0%	0%
Term deposits in VND	0.2% - 6.86%	0.2% - 6.25%
Term deposits in foreign currencies	0.5% - 0.98%	0.2% - 0.98%

21. Valuable papers issued

	30/6/2022 VND million	31/12/2021 VND million
Term bonds		
- From 12 months up to less than 5 years	10,899,000	9,900,000
- Over 5 years	900,000	900,000
Certificates of deposits	8,022,600	8,253,200
	19,821,600	19,053,200

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

	30/6/2022	31/12/2021
Term bonds		
- From 12 months and less than 5 years	3.20% - 4.70%	3.60% - 4.00%
- Over 5 years	8.50% - 9.00%	7.80% - 9.00%
Certificates of deposit	2.70% - 8.60%	3.60% - 8.60%

22. Other liabilities

	30/6/2022 VND million	31/12/2021 VND million
Internal payables	23,579	22,590
External payables	4,234,245	3,521,362
In which:		
- <i>Accrued interest and fee payables</i>	3,504,994	2,947,979
- <i>Deferred income</i>	89,217	634
- <i>Taxes and others payable to State Treasury (Note 40)</i>	394,793	302,044
- <i>Other payables</i>	245,241	270,705
Bonus and welfare fund	79,473	30,877
	4,337,297	3,574,829

23. Capital and reserves

Changes in capital and reserves of the SeABank during the six-month period ended 30 June 2022 and 30 June 2021 were as follows:

	Charter capital	Share premium	Financial reserve	Reserve to supplement charter capital	Foreign exchange differences	Retained earnings	Total
	VND million	VND million	VND million	VND million	VND million	VND million	VND million
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 changes	-	-	-	-	-	(718)	(718)
Balance at 30 June 2021	12,087,442	-	287,688	168,422	(10,393)	2,346,023	14,879,182
Balance at 1 January 2022	14,784,884	810,623	554,043	301,598	-	2,212,116	18,663,264
Increase of capital from shares issued	1,813,116	906,558	-	-	-	-	2,719,674
Increase of capital from share premium	809,996	(809,996)	-	-	-	-	-
Increase of capital from reserve to supplement charter capital	286,999	-	-	(286,999)	-	-	-
Shares issued for payment of dividends	2,113,988	-	-	-	-	(2,113,988)	-
Foreign exchange differences	-	-	-	-	17,744	-	17,744
Profit for the period	-	-	-	-	-	2,250,764	2,250,764
Appropriation to bonus and welfare fund	-	-	-	-	-	(92,000)	(92,000)
Other decreases	-	-	-	-	-	(2,646)	(2,646)
Balance at 30 June 2022	19,808,983	907,185	554,043	14,599	17,744	2,254,246	23,556,800

24. Share capital

	30/6/2022		31/12/2021	
	Number of shares	VND million	Number of shares	VND million
Shares issued to the public				
Ordinary shares	1,980,898,268 ✓	19,808,983	1,478,488,369	14,784,884
Shares in circulation				
Ordinary shares	1,980,898,268	19,808,983	1,478,488,369	14,784,884

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.

25. Dividends

On 16 May 2022, the Board of Directors of the Bank approved Resolution No. 425/2022/NQ-HDQT on the issuance of shares for payment of dividends for 2021 to existing shareholders from profit after tax as at 31 December 2021.

According to the result report on issuance of shares for payment of dividends on 14 July 2022 submitted to the State Security Commission of Vietnam, the Bank completed the issuance of 211,398,767 shares for payment of dividends.

26. Interest and similar income

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Interest income from deposits	162,307	208,288
Interest income from loans	6,146,379	4,806,153
Income from investments in securities	386,414	870,454
Income from guarantee services	54,593	35,581
Other income from credit activities	68,121	46,766
	<u>6,817,814</u>	<u>5,967,242</u>

27. Interest and similar expenses

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Interest expenses for deposits	2,822,782	3,169,048
Interest expenses for borrowings	217,250	58,943
Interest expenses for valuable papers issued	423,036	262,706
Other expenses for credit activities	62,549	46,143
	<u>3,525,617</u>	<u>3,536,840</u>

28. Net fee and commission income

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Fee and commission income from		
Settlement and cash services	131,934	85,104
Treasury services	5,138	3,211
Insurance agency services	248,587	120,851
Consulting services	102,240	6,254
Other services	395,554	522,117
	<u>883,453</u>	<u>737,537</u>
Fee and commission expenses for		
Settlement and cash services	33,488	29,325
Treasury services	9,031	9,236
Other services	77,075	229,793
	<u>119,594</u>	<u>268,354</u>
Net fee and commission income	<u>763,859</u>	<u>469,183</u>

29. Net gain from trading of foreign currencies

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Income from trading of foreign currencies		
Spot foreign exchange trading	902,326	449,497
Currency derivatives	461,390	235,340
Income from trading of gold	4,029	519
	1,367,745	685,356
Expenses for trading of foreign currencies		
Spot foreign exchange trading	14,307	27,679
Currency derivatives	1,234,749	563,617
Expenses for trading of gold	388	228
	1,249,444	591,524
Net gain from trading of foreign currencies	118,301	93,832

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

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Gain from held-for-trading securities	252,368	70,035
Loss from held-for-trading securities	(54,942)	(51,010)
Allowance reversed/(made) for held-for-trading securities	11,277	(43,165)
	208,703	(24,140)

31. Net gain from investment securities

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Gain from sales of investment securities	724,861	223,390
Loss from sales of investment securities	(193,986)	(71,080)
Allowance reversed/(made) for investment securities	29,048	(23,346)
	559,923	128,964

32. Net gain from other activities

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Income from other activities		
Income from other derivatives	144,542	148,490
Income from other activities	53,713	66,712
	<hr/> 198,255	<hr/> 215,202
Expenses for other activities		
Expenses for other derivatives	102,296	101,190
Expenses for other activities	17,283	16,006
	<hr/> 119,579	<hr/> 117,196
Net income from other activities	<hr/> 78,676	<hr/> 98,006

33. Income from capital contribution, share purchase

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Dividends received from capital contribution, share purchase	7,512	892
Gain from disposal of long-term investments	-	1,886
	<hr/> 7,512	<hr/> 2,778

34. Operating expenses

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Tax, duties and fees	19,863	65,501
Staff costs:		
- Salary and allowances	812,724	594,207
- Salary based contribution	40,133	29,171
- Allowances	136	196
- Other staff expenses	31,032	6,892
Expenses on assets		
- Depreciation and amortisation of fixed assets	40,214	37,605
- Others	212,908	146,529
Administrative expenses		
- Per diems	9,082	9,812
- Printing materials and papers	16,350	14,857
- Postage and telephone expenses	28,447	17,732
- Others	174,103	143,596
Insurance fee for customers' deposits	48,765	57,885
Amortisation of goodwill	35,603	35,603
Other operating expenses	57,805	57,234
Allowance for diminution in value of long-term investments (reversed)/made (Note 13(ii))	(324)	1,443
Allowance for other on-balance sheet assets (reversed)/made (Note 17(ii))	(664)	6,429
	<hr/> 1,526,177	<hr/> 1,224,692

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

35. Off-balance sheet items

	30/6/2022		31/12/2021	
	VND million		VND million	
	Contractual value - gross	Margin deposits	Contractual value - net	Contractual value - gross
				Margin deposits
Loan guarantees	14,083	(14,083)	-	(94,083)
Foreign exchange commitments				
▪ Foreign currency purchase commitments	1,762,768	-	1,762,768	1,430,311
▪ Foreign currency sale commitments	688,622	-	688,622	625,751
▪ Currency swap commitments	112,122,651	-	112,122,651	92,376,380
Letters of credit	2,319,535	(47,624)	2,271,911	1,828,529
Other guarantees	5,595,510	(260,746)	5,334,764	4,468,758
Uncollected loan interest and fees	1,770,984	-	1,770,984	2,234,445
Written-off bad debts	10,549,422	-	10,549,422	10,048,084
Other assets and documents in custody	1,504,642	-	1,504,642	1,524,891
Interest rate swaps	10,029,770	-	10,029,770	8,089,470

36. Corporate income tax

(a) Recognition in the statement of income

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Current tax expense		
Current period	555,522	317,995

(b) Reconciliation of effective tax rate

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Accounting profit before tax	2,806,286	1,556,368
Tax at SeABank's tax rate	561,257	311,274
Tax exempt income	(1,567)	(556)
Non-deductible expenses	225	215
Adjustment of profit for consolidation of financial statements	7,121	7,062
Tax loss carried forward of a subsidiary	(11,028)	-
Others	(486)	-
	555,522	317,995

(c) Applicable tax rate

The Bank has an obligation to pay corporate income tax to the Government at the rate of 20% of taxable profit (six-month period ended 30/6/2021: 20%). The corporate income tax computation is subject to review and approval by local tax authorities.

37. Basic earnings per share

(i) Net profit attributable to ordinary shareholders

	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
Net profit attributable to ordinary shareholders	2,250,764	1,238,373
Appropriation to bonus and welfare fund	(92,000)	(18,458)
	<u>2,158,764</u>	<u>1,219,915</u>

(ii) Weighted average number of ordinary shares

	Six-month period ended 30/6/2022	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	1,478,488,369	1,208,744,208	1,208,744,208
Effect of ordinary shares issued for dividend payment in 2021	-	110,244,161	-
Effect of shares issued to employees in 2021	-	23,500,000	-
Effect of ordinary shares issued to existing shareholders in 2021	-	79,150,666	-
Effect of ordinary shares issued to existing shareholders in 2022	140,757,632	106,911,630	-
Effect of shares issued under Resolution 425/2022/NQ-HDQT in 2022	321,098,268	321,098,268	-
Weighted average number of ordinary shares for the period	<u>1,940,344,269</u>	<u>1,849,648,933</u>	<u>1,208,744,208</u>

(iii) Basic earnings per share

	Six-month period ended 30/6/2022	Six-month period ended 30/6/2021 (Restated)	Six-month period ended 30/6/2021 (as previously stated)
Basic earnings per share (VND/share)	<u>1,113</u>	<u>660</u>	<u>1,009</u>

38. Cash and cash equivalents

	30/6/2022 VND million	31/12/2021 VND million
Cash and gold on hand	1,033,269	1,076,028
Balances with the SBV	3,832,672	4,799,360
Demand deposits at other CIs	8,792,702	12,992,451
Term deposits with other CIs with original terms not exceeding three months	39,112,758	22,241,041
	<u>52,771,401</u>	<u>41,108,880</u>

39. Employee benefits

	Six-month period ended 30/6/2022	Six-month period ended 30/6/2021
Average number of employees (persons)	5,168	4,406
Employees' income	812,724	594,207
Bonus and incentives	18,330	17,938
	<u>831,054</u>	<u>612,145</u>
Average monthly income (VND million)	26.80	23.16

40. Obligations to the State Treasury

Six-month period ended 30 June 2022

	1/1/2022 VND million	Incurred VND million	Paid VND million	30/6/2022 VND million
Payables to State Treasury				
Value added tax	21,356	74,859	(73,242)	22,973
Corporate income tax	272,094	555,523	(465,753)	361,864
Personal income tax	8,594	107,034	(105,672)	9,956
Other taxes	-	13,427	(13,427)	-
	302,044	750,843	(658,094)	394,793

Six-month period ended 30 June 2021

	1/1/2021 VND million	Incurred VND million	Paid 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

41. 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
Thang Long GTC Joint Stock Company	Common members of BOD
Hanoitourist Service Joint Stock Company	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
Members of the Board of Directors, Supervisory Board and Board of Management	

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

	Assets/(Liabilities)	
	30/6/2022	31/12/2021
	VND million	VND million
<i>Thang Long GTC Joint Stock Company</i>		
▪ Demand deposits at SeABank	(2,939)	(60,785)
▪ Term deposits at SeABank	(352,900)	(370,400)
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
▪ Demand deposits at SeABank	(554,673)	(152,553)
▪ Term deposits at SeABank	(264,161)	(631,545)
▪ Guarantees at SeABank	912,417	3,425
<i>Hanoitourist Service Joint Stock Company</i>		
▪ Demand deposits at SeABank	(22,736)	(9,473)
▪ Term deposits at SeABank	(301,335)	(301,228)
▪ Guarantees at SeABank	9,221	5,103
<i>Vietnam Engine and Agricultural Machinery Corporation</i>		
▪ Demand deposits at SeABank	(7,935)	(25,704)
▪ Term deposits at the SeABank	(2,051,315)	(1,679,300)
▪ Guarantees at the SeABank	582	-
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
▪ Demand deposits at SeABank	(82,375)	(163,416)
▪ Term deposits at SeABank	(2,530,000)	(3,000,000)

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

	Revenue/(Expenses)	
	Six-month period ended 30/6/2022 VND million	Six-month period ended 30/6/2021 VND million
<i>Thang Long GTC Joint Stock Company</i>		
▪ Interest expenses on deposits	(9,173)	(11,009)
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
▪ Interest expenses on deposits	(7,491)	(8,589)
<i>Hanoitourist Service Joint Stock Company</i>		
▪ Interest expenses on deposits	(5,996)	(6,780)
<i>Vietnam Engine and Agricultural Machinery Corporation</i>		
▪ Interest expenses on deposits	(51,994)	(31,643)
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
▪ Interest expenses on deposits	(42,553)	(47,740)
Remuneration of the Members of the Board of Directors, Supervisory Board	7,210	6,683
Salary, bonus and other benefits of the General Director and other managers	34,236	34,105

42. Segment reporting

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 2022 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 inter- segment transactions	Consolidated figures
Revenue					
Interest income	6,546,955	302,142	14,433	(45,716)	6,817,814
Fee and commission income	780,275	90,239	14,927	(1,988)	883,453
Income from other business activities	2,593,766	1,072	6,236	(10,008)	2,591,066
	9,920,996	393,453	35,596	(57,712)	10,292,333
Expense					
Interest expense	3,490,812	80,521	-	(45,716)	3,525,617
Fee and commission expense	90,336	23,545	5,713	-	119,594
Other direct business expense	1,611,629	10,009	6,321	(10,008)	1,617,951
Operating expense	1,378,201	111,835	2,526	33,615	1,526,177
	6,570,978	225,910	14,560	(22,109)	6,789,339
Operating results before allowance expenses for credit losses	3,350,018	167,543	21,036	(35,603)	3,502,994
Allowance expense for credit losses	636,968	59,740	-	-	696,708
Segment outcome	2,713,050	107,803	21,036	(35,603)	2,806,286
Asset					
Cash	1,033,238	-	31	-	1,033,269
Fixed assets	932,460	2,796	-	-	935,256
Other assets	227,891,022	3,395,658	622,754	(4,154,734)	227,754,700
Total assets	229,856,720	3,398,454	622,785	(4,154,734)	229,723,225
Liabilities					
Amounts due to the Government and the State Bank of Vietnam	2,155,809	-	-	-	2,155,809
Deposits and borrowings from other credit institutions	63,311,124	1,600,000	-	(1,789,755)	63,121,369
Deposits from customers	116,740,208	253	-	(11,131)	116,729,330
Other borrowed and entrusted funds	-	1,020	-	-	1,020
Valuable papers issued	19,821,600	1,020,000	-	(1,020,000)	19,821,600
Other liabilities	4,182,716	139,073	34,390	(18,882)	4,337,297
Total liabilities	206,211,457	2,760,346	34,390	(2,839,768)	206,166,425

Segment reporting by business segment as at 31 December 2021 and segment operating results for the six-month period ended 30 June 2021 are presented in the following table:

(VND million)	Banking operations	Finance companies activities	Debt management and asset exploitation	Elimination for inter- 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
Other direct business 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 for credit losses	1,996,640	5,462	7,835	(35,604)	1,974,333
Allowance expense for credit losses	412,623	5,342	-	-	417,965
Segment outcome	1,584,017	120	7,835	(35,604)	1,556,368
Asset					
Cash	1,075,997	-	31	-	1,076,028
Fixed assets	880,990	1,513	-	-	882,503
Other assets	210,090,429	3,082,419	604,691	(4,072,555)	209,704,984
Total assets	212,047,416	3,083,932	604,722	(4,072,555)	211,663,515
Liabilities					
Amounts due to the Government and the State Bank of Vietnam	2,172,763	-	-	-	2,172,763
Deposits and borrowings from other credit institutions	58,611,446	2,100,000	-	(2,345,448)	58,365,998
Deposits from customers	109,814,519	653	-	(30,535)	109,784,637
Other borrowed and entrusted funds	-	1,020	-	-	1,020
Valuable papers issued	19,053,200	400,000	-	(400,000)	19,053,200
Other liabilities	3,565,296	41,423	33,123	(17,209)	3,622,633
Total liabilities	193,217,224	2,543,096	33,123	(2,793,192)	193,000,251

(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.

43. 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 2022 are as follows:

	Total loans VND million	Total deposits VND million	Contingent credit commitments VND million	Derivative financial instruments VND million	Trading and investment securities VND million
Domestic	150,851,116	164,079,935	7,606,675	176,824	19,265,943
Overseas	370,910	14,664	-	-	-
	151,222,026	164,094,599	7,606,675	176,824	19,265,943

Concentration of assets, liabilities and off-balance sheet items by geographical region of SeABank's partners as at 31 December 2021 are as follows:

	Total loans VND million	Total deposits VND million	Contingent credit commitments VND million	Derivatives financial instruments VND million	Trading and investment securities VND million
Domestic	134,565,406	145,268,268	6,010,566	47,804	29,957,117
Overseas	379,738	69,101	-	-	-
	134,945,144	145,337,369	6,010,566	47,804	29,957,117

44. 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.

45. 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.

As at 30 June 2022 (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	-	1,033,269	-	-	-	-	-	-	1,033,269
Balances with the SBV	-	-	3,832,672	-	-	-	-	-	3,832,672
Deposits with and loans to other CIs - gross	-	-	40,487,774	11,682,094	80,000	93,958	-	-	52,343,826
Held-for-trading securities - gross	-	-	13,407,758	-	-	-	-	-	13,407,758
Derivatives and other financial assets	-	176,824	-	-	-	-	-	-	176,824
Loans to customers - gross	2,816,936	-	21,157,300	39,093,052	43,631,898	32,520,146	6,065,798	1,498,530	146,783,660
Investment securities - gross	-	82,054	510,496	350,000	1,159,265	1,284,190	2,234,095	238,085	5,858,185
Long-term investments - gross	-	86,534	-	-	-	-	-	-	86,534
Fixed assets and investment property	-	993,863	-	-	-	-	-	-	993,863
Other assets - gross	-	7,511,713	-	-	-	-	-	-	7,511,713
Total assets	2,816,936	9,884,257	79,396,000	51,125,146	44,871,163	33,898,294	8,299,893	1,736,615	232,028,304
Liabilities									
Amounts due to the Government and the SBV	-	-	611,891	483,993	921,195	138,730	-	-	2,155,809
Deposits and borrowings from other CIs	-	-	38,979,692	19,347,263	613,397	340,642	3,840,375	-	63,121,369
Deposits from customers	-	-	30,841,546	22,213,717	25,920,376	24,876,184	12,877,507	-	116,729,330
Other borrowed and entrusted funds	-	1,020	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	35,600	64,300	43,800	4,200,000	15,477,900	-	19,821,600
Other liabilities	-	4,337,297	-	-	-	-	-	-	4,337,297
Total liabilities	-	4,338,317	70,468,729	42,109,273	27,498,768	29,555,556	32,195,782	-	206,166,425
Interest sensitivity gap	2,816,936	5,545,940	8,927,271	9,015,873	17,372,395	4,342,738	(23,895,889)	1,736,615	25,861,879

As at 31 December 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	-	1,076,028	-	-	-	-	-	-	1,076,028
Balances with the SBV	-	-	4,799,360	-	-	-	-	-	4,799,360
Deposits with and loans to other CIs - gross	-	-	34,151,405	6,099,769	2,339,303	-	-	-	42,590,477
Held-for-trading securities - gross	-	-	13,094,009	-	-	-	-	-	13,094,009
Loans to customers - gross	2,313,928	-	19,829,146	34,081,842	38,775,464	28,188,869	2,990,758	1,408,152	127,588,159
Investment securities - gross	-	82,054	1,099,999	486,866	2,810,220	4,529,989	6,119,601	1,734,379	16,863,108
Long-term investments - gross	-	86,534	-	-	-	-	-	-	86,534
Fixed assets and investment property	-	948,067	-	-	-	-	-	-	948,067
Other assets - gross	-	6,496,632	-	-	-	-	-	-	6,496,632
Total assets	2,313,928	8,689,315	72,973,919	40,668,477	43,924,987	32,718,858	9,110,359	3,142,531	213,542,374
Liabilities									
Amounts due to the Government and the SBV	-	-	25,240	60,967	68,086	2,018,470	-	-	2,172,763
Deposits and borrowings from other CIs	-	-	42,837,652	10,943,119	1,354,080	261,947	2,969,200	-	58,365,998
Deposits from customers	-	-	28,869,577	28,203,150	24,042,626	17,333,254	11,334,030	2,000	109,784,637
Derivatives and other financial liabilities	-	47,804	-	-	-	-	-	-	47,804
Other borrowed and entrusted funds	-	1,020	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	17,930	225,630	1,365,940	143,700	17,300,000	-	19,053,200
Other liabilities	-	3,574,829	-	-	-	-	-	-	3,574,829
Total liabilities	-	3,623,653	71,750,399	39,432,866	26,830,732	19,757,371	31,603,230	2,000	193,000,251
Interest sensitivity gap	2,313,928	5,065,662	1,223,520	1,235,611	17,094,255	12,961,487	(22,492,871)	3,140,531	20,542,123

(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 at the end of the accounting period:

As at 30 June 2022 (VND million)	USD	EUR	Others	Total
Assets				
Cash and gold on hand	104,958	77,121	127,909	309,988
Balances with the SBV	14,122	-	-	14,122
Deposits with and loans to other CIs - gross	3,372,008	129,897	888,394	4,390,299
Derivatives and other financial assets	8,211,140	(19,586)	(931,762)	7,259,792
Loans to customers - gross	3,314,033	-	-	3,314,033
Other assets - gross	484,390	5,033	1,745	491,168
	15,500,651	192,465	86,286	15,779,402
Liabilities				
Deposits and borrowings from other CIs	12,799,183	4,666	1,745	12,805,594
Deposits from customers	2,047,957	174,689	31,569	2,254,215
Other liabilities	137,827	913	400	139,140
	14,984,967	180,268	33,714	15,198,949
FX position on balance sheet	515,684	12,197	52,572	580,453

As at 31 December 2021 (VND million)	USD	EUR	Others	Total
Assets				
Cash and gold on hand	108,912	95,065	72,237	276,214
Balances with the SBV	2,230,506			2,230,506
Deposits with and loans to other CIs - gross	6,612,325	205,438	66,886	6,884,649
Loans to customers - gross	3,035,294			3,035,294
Other assets - gross	306,586	513	1,090	308,189
	12,293,623	301,016	140,213	12,734,852
Liabilities				
Deposits and borrowings from other CIs	7,275,592	-	1,090	7,276,682
Deposits from customers	1,816,233	273,578	36,724	2,126,535
Derivatives and other financial liabilities	5,991,912	424,789	48,568	6,465,269
Other liabilities	59,643	1,415	-	61,058
	15,143,380	699,782	86,382	15,929,544
FX position on balance sheet	(2,849,757)	(398,766)	53,831	(3,194,692)

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

	Exchange rate as at	
	30/6/2022	31/12/2021
	VND	VND
AUD	16,111.00	16,593.00
CAD	18,129.00	17,974.00
CHF	24,273.00	24,892.00
KRW	18.07	19.28
EUR	24,482.00	25,981.00
GBP	28,480.00	30,958.00
HKD	2,966.00	2,920.00
JPY	171.50	198.50
SGD	16,809.00	16,934.00
THB	657.00	678.00
USD	23,275.00	22,840.00
XAU	6,825,000.00	6,110,000.00

46. 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 in the consolidated statement of financial position. 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 2022

(VND million)	Neither past due nor allowance required	Past due but no allowance required	Past due and allowance made	Total
Balances with the SBV	3,832,672	-	-	3,832,672
Deposits with and loans to other CIs - gross	52,343,826	-	-	52,343,826
Loans to customers - gross	143,440,495	526,229	2,816,936	146,783,660
Investment securities - gross	5,858,185	-	-	5,858,185
Other financial assets - gross	4,817,245	-	40,430	4,857,675
	210,292,423	526,229	2,857,366	213,676,018

As at 31 December 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	4,799,360	-	-	4,799,360
Deposits with and loans to other CIs - gross	42,590,477	-	-	42,590,477
Loans to customers - gross	124,756,129	518,102	2,313,928	127,588,159
Investment securities - gross	16,863,108	-	-	16,863,108
Other financial assets - gross	3,630,338	-	41,094	3,671,432
	192,639,412	518,102	2,355,022	195,512,536

Details of collaterals held by the Bank at the period-end/year-end were as follows:

	30/6/2022 VND million	31/12/2021 VND million
Real estates	194,717,686	169,909,818
Movable assets	12,591,759	13,896,766
Valuable papers	24,964,890	27,380,443
Other collaterals	85,403,862	82,455,931
	<u>317,678,197</u>	<u>293,642,958</u>

47. 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 2022 and 31 December 2021:

As at 30 June 2022 (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	-	-	1,033,269	-	-	-	1,033,269
Balances with the SBV	-	-	3,832,672	-	-	-	3,832,672
Deposits with and loans to other CIs	-	-	40,487,774	11,682,094	173,958	-	52,343,826
Held-for-trading securities - gross	-	-	13,407,758	-	-	-	13,407,758
Derivatives and other financial assets	-	-	(32,571)	(60,272)	278,897	(9,230)	176,824
Loans to customers - gross	540,186	2,276,750	7,983,843	10,203,897	70,824,999	34,572,194	146,783,660
Investment securities - gross	-	-	842,550	100,000	2,443,455	1,592,735	5,858,185
Long-term investments - gross	-	-	-	-	-	86,534	86,534
Fixed assets and investment property	-	-	-	-	-	2,796	993,863
Other assets - gross	-	-	752,209	1,051,185	2,265,975	1,761,959	7,511,713
Total assets	540,186	2,276,750	68,307,504	22,976,904	75,987,284	37,920,454	232,028,304
Liabilities							
Amounts due to the Government and the SBV	-	-	611,891	483,993	1,059,925	-	2,155,809
Deposits and borrowings from other CIs	-	-	38,979,692	19,347,263	954,039	3,840,375	63,121,369
Deposits from customers	-	-	30,841,546	22,213,717	50,796,560	12,877,507	116,729,330
Other borrowed and entrusted funds	-	-	-	-	-	1,020	1,020
Valuable papers issued	-	-	35,600	64,300	4,243,800	15,477,900	19,821,600
Other liabilities	-	-	1,007,821	852,690	1,830,719	646,067	4,337,297
Total liabilities	-	-	71,476,550	42,961,963	58,885,043	32,842,869	206,166,425
Net liquidity gap	540,186	2,276,750	(3,169,046)	(19,985,059)	17,102,241	5,077,585	25,861,879

Notes to the consolidated interim financial statements for the six-month period ended 30 June 2022 (continued)

As at 31 December 2021 (VND million)	Overdue		Current		More than 5 years		Total
	Up to 3 months	More than 3 months	Up to 1 month	From 1 to 3 months	From 1 to 5 years	More than 5 years	
Assets							
Cash and gold on hand	-	-	1,076,028	-	-	-	1,076,028
Balances with the SBV	-	-	4,799,360	-	-	-	4,799,360
Deposits with and loans to other CIs	-	-	34,151,405	6,099,769	-	-	42,590,477
Held-for-trading securities - gross	-	-	13,094,009	-	-	-	13,094,009
Loans to customers - gross	209,319	2,104,609	7,136,389	8,662,273	28,447,238	14,916,111	127,588,159
Investment securities - gross	-	-	182,054	486,865	4,269,632	7,595,787	16,863,108
Long-term investments - gross	-	-	-	-	-	86,534	86,534
Fixed assets and investment property	-	-	-	-	1,513	946,554	948,067
Other assets - gross	-	-	583,824	1,038,350	1,375,521	1,978,775	6,496,632
Total assets	209,319	2,104,609	61,023,069	16,287,257	34,093,904	25,523,761	213,542,374
Liabilities							
Amounts due to the Government and the SBV	-	-	25,240	60,967	-	-	2,172,763
Deposits and borrowings from other CIs	-	-	42,837,652	10,943,119	2,969,200	-	58,365,998
Deposits from customers	-	-	28,869,577	28,203,150	11,334,030	2,000	109,784,637
Derivatives and other financial liabilities	-	-	8,746	16,572	(34,270)	-	47,804
Other borrowed and entrusted funds	-	-	-	-	1,020	-	1,020
Valuable papers issued	-	-	17,930	225,630	17,300,000	-	19,053,200
Other liabilities	-	-	872,802	1,075,489	368,046	30,930	3,574,829
Total liabilities	-	-	72,631,947	40,524,927	31,938,026	32,930	193,000,251
Net liquidity gap	209,319	2,104,609	(11,608,878)	(24,237,670)	2,155,878	25,490,831	20,542,123

48. Events after the end of the accounting period

On 8 July 2022, the Board of Directors of the Bank issued Decision No. 562/2022/QD-HDQT and Decision No. 563/2022/QD-HDQT on Ms. Le Thu Thuy's resignation from the position of General Director of the Bank from 11 July 2022, and appointing Mr. Faussier Loic Michel Marc to assume the position of Deputy General Director in charge of managing the Bank's operations from 11 July 2022.

49. Other events

The widespread recurrence of the Covid-19 outbreak at the end of April 2021 in Vietnam 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 promotion of universal vaccination. The Covid-19 vaccination coverage rate in Vietnam has now reached over 90%. However, the impact of the pandemic on business operations of enterprises including the Bank will depend on future developments of the outbreak, including its duration and level of spread, and other information which is unpredictable at the date of these consolidated financial statements.

During the six-month period ended 30 June 2022, the Bank restructured debt repayment schedule, offered waiver/reduction of interest/fees and maintain debt group unchanged for customers affected by Covid-19 in accordance with Circular 01, Circular 03 and Circular 14 (Note 3(h)).

50. Changes in the structure of the Bank

From 1 January 2022 to the issuance date of these consolidated interim financial statements, there are no significant changes in the structure of the Bank.

12 August 2022

Prepared by:



Nghiem Thi Thu Nga
Preparer

Approved by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director