



Southeast Asia Commercial Joint Stock Bank

Separate Financial Statements
for the year ended 31 December 2022



Southeast Asia Commercial Joint Stock Bank

Corporate Information

Banking Operation

Licence No.

0051/QĐ/NH-GP

25 March 1994

The Banking Operation Licence was issued by the State Bank of Vietnam and is valid for 99 years from the issuance date. The Banking Operation Licence have been amended several times, the most recent of which is under Decision 177/QĐ-NHNN dated 8 February 2023 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 36th amendment dated 22 February 2023 issued by Hanoi Department of Planning and Investment.

Board of Directors

Mr. Le Van Tan

Chairman

Ms. Nguyen Thi Nga

Standing Vice Chairwoman

Ms. Le Thu Thuy

Vice Chairwoman – Full-time Member

Ms. Khuc Thi Quynh Lam

Vice Chairwoman

Mr. Hoang Minh Tan

Member

Mr. Bui Trung Kien

Member

Ms. Ngo Thi Nhai

Independent Member

Mr. Mathew Nevil Welch

Independent Member
(from 21 April 2022)

Mr. Faussier Loic Michel Marc

Independent Member
(until 26 May 2022)

Board of Management

Mr. Faussier Loic Michel Marc

General Director (from 3 January 2023)
Senior Deputy General Director in charge
of managing operation

(from 11 July 2022 to 2 January 2023)

Senior Deputy General Director

(from 3 June 2022 to 10 July 2022)

General Director (until 11 July 2022)

Standing Deputy General Director

Ms. Le Thu Thuy

Deputy General Director

Mr. Le Quoc Long

Deputy General Director

Ms. Nguyen Thi Thu Huong

Deputy General Director

Mr. Nguyen Tuan Cuong

Deputy General Director

Mr. Vu Dinh Khoan

Deputy General Director

Mr. Nguyen Ngoc Quynh

Deputy General Director

Ms. Tran Thi Thanh Thuy

Deputy General Director

Mr. Hoang Manh Phu

Deputy General Director

Ms. Dang Thu Trang

Deputy General Director

Mr. Vo Long Nhi

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 (“the Bank”) presents this statement and the accompanying separate financial statements of the Bank for the year ended 31 December 2022.

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

- (a) the separate financial statements set out on pages 5 to 68 give a true and fair view of the unconsolidated financial position of the Bank as at 31 December 2022, and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons for the Board of Management to believe that the Bank will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Management



Nguyễn Thị Thu Hương
Deputy General Director

Hanoi, 27 March 2023



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

INDEPENDENT AUDITOR'S REPORT

To the Shareholders Southeast Asia Commercial Joint Stock Bank

We have audited the accompanying separate financial statements of Southeast Asia Commercial Joint Stock Bank ("the Bank"), which comprise the separate statement of financial position as at 31 December 2022, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 27 March 2023, as set out on pages 5 to 68.

Management's Responsibility

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

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the separate financial statements give a true and fair view, in all material respects, of the unconsolidated financial position of Southeast Asia Commercial Joint Stock Bank as at 31 December 2022 and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 22-02-00133-23-1



Wang Toon Kim
Practicing Auditor Registration
Certificate No. 0557-2023-007-1
Deputy General Director

Hanoi, 27 March 2023

Tran Dinh Vinh
Practicing Auditor Registration
Certificate No. 0339-2023-007-1

	Note	31/12/2022 VND million	31/12/2021 VND million
A ASSETS			
I Cash and gold on hand	4	1,037,776	1,075,997
II Balances with the State Bank of Vietnam ("SBV")	5	9,280,904	4,796,702
III Deposits with and loans to other credit institutions ("CIs")	6	48,593,410	44,690,477
1 Deposits with other CIs		44,987,465	37,333,492
2 Loans to other CIs		3,605,945	7,356,985
IV Held-for-trading securities	7	5,407,085	13,482,630
1 Held-for-trading securities		5,407,085	13,494,009
2 Allowance for held-for-trading securities		-	(11,379)
VI Loans and advances to customers		146,950,195	123,159,955
1 Loans and advances to customers	8	149,226,760	124,899,910
2 Allowance for loans and advances to customers	9	(2,276,565)	(1,739,955)
VIII Investment securities		8,184,344	16,393,870
1 Available-for-sale investment securities	10(a)	7,869,250	16,117,832
2 Held-to-maturity investment securities	10(b)	319,364	319,364
3 Allowance for investment securities	11	(4,270)	(43,326)
IX Capital contribution, long-term investments	12	1,817,951	1,841,729
1 Investments in subsidiaries		1,760,000	1,760,000
4 Other long-term investments		59,070	83,172
5 Allowance for diminution in value of long-term investments		(1,119)	(1,443)
X Fixed assets		1,080,992	880,990
1 Tangible fixed assets	13	425,090	285,757
A Cost		872,157	675,433
B Accumulated depreciation		(447,067)	(389,676)
3 Intangible fixed assets	14	655,902	595,233
A Cost		849,107	757,656
B Accumulated amortisation		(193,205)	(162,423)
XII Other assets	15	9,815,811	5,725,066
1 Receivables		5,963,308	1,955,563
2 Accrued interest and fees receivable		2,503,670	1,665,984
4 Other assets		1,376,226	2,131,576
5 Allowance for other on-balance sheet assets		(27,393)	(28,057)
TOTAL ASSETS		232,168,468	212,047,416

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

	Note	31/12/2022 VND million	31/12/2021 VND million
B			
LIABILITIES AND OWNERS' EQUITY			
LIABILITIES			
I	16	3,838,696	2,172,763
Amounts due to the Government and the SBV			
1 Deposits and borrowings from the Government and the SBV		3,838,696	2,172,763
II	17	60,609,321	58,611,446
Deposits and borrowings from other CIs			
1 Deposits from other CIs		45,155,459	35,798,180
2 Borrowings from other CIs		15,453,862	22,813,266
III	18	115,550,779	109,814,519
Mobilization from deposits from customers			
IV	19	14,963	47,804
Derivatives and other financial liabilities			
VI	20	21,504,600	19,053,200
Mobilization from issuing valuable papers to customers			
VII	21	4,409,402	3,517,492
Other liabilities			
1 Accrued interest and fee payables		3,644,040	2,947,320
3 Other liabilities		765,362	570,172
TOTAL LIABILITIES		205,927,761	193,217,224
OWNERS' EQUITY			
VIII	22	26,240,707	18,830,192
Capital and reserves			
1 Capital		21,607,167	15,595,507
A Charter capital		20,402,983	14,784,884
C Share premium		1,204,184	810,623
2 Reserves		1,110,867	813,692
5 Retained earnings		3,522,673	2,420,993
TOTAL OWNERS' EQUITY		26,240,707	18,830,192
TOTAL LIABILITIES AND OWNERS' EQUITY		232,168,468	212,047,416

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

	Note	31/12/2022 VND million	31/12/2021 VND million
OFF-BALANCE SHEET ITEMS			
2 Foreign exchange commitments		89,722,996	94,432,442
Foreign currency purchase commitments	34(a)	705,900	1,430,311
Foreign currency sale commitments	34(a)	705,900	625,751
Swap commitments	34(a)	88,311,196	92,376,380
4 Letters of credit	34(a)	5,493,687	1,782,559
5 Other guarantees	34(a)	6,108,946	4,227,452
6 Interest rate swaps	34(a)	7,759,570	8,089,470
7 Uncollected loan interest and fees	34(b)	1,642,443	2,178,165
8 Written-off principal of bad debts	34(c)	4,731,933	4,358,723
9 Other assets and documents in custody	34(d)	1,534,181	1,524,891

27 March 2023

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 separate financial statements

Southeast Asia Commercial Joint Stock Bank
No. 198, Tran Quang Khai, Ly Thai To Ward
Hoan Kiem District, Hanoi, Vietnam
Separate statement of income
for the year ended 31 December 2022

Form B03/TCTD
(Issued under Circular
No. 49/2014/TT-NHNN dated 31 December 2014
of the State Bank of Vietnam)

	Note	2022 VND million	2021 VND million
1 Interest and similar income	25	14,501,659	11,653,018
2 Interest and similar expenses	26	(8,089,906)	(6,622,912)
I Net interest income		6,411,753	5,030,106
3 Fee and commission income		1,468,636	1,287,986
4 Fee and commission expenses		(227,637)	(175,629)
II Net fee and commission income	27	1,240,999	1,112,357
III Net gain from trading of foreign currencies	28	223,886	148,886
IV Net gain from held-for-trading securities	29	228,111	57,884
V Net gain from investment securities	30	636,720	306,197
5 Other income		405,362	436,589
6 Other expenses		(215,710)	(246,545)
VI Net other income	31	189,652	190,044
VII Gains from capital contribution, shares purchase	32	7,893	22,027
VIII Operating expenses	33	(3,057,088)	(2,385,726)
IX Net operating profit before allowance expenses for credit losses		5,881,926	4,481,775
X Allowance expenses for credit losses		(1,015,271)	(1,198,952)
XI Profit before tax		4,866,655	3,282,823
7 Corporate income tax expenses – current		(972,169)	(652,576)
XII Income tax expense	35	(972,169)	(652,576)
XIII Profit after tax		3,894,486	2,630,247

27 March 2023

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 separate financial statements

	2022 VND million	2021 VND million
CASH FLOWS FROM OPERATING ACTIVITIES		
01 Interest and similar income received	13,663,973	12,581,468
02 Interest and similar expenses paid	(7,393,186)	(6,741,196)
03 Net fees and commission income received	1,240,999	1,112,357
04 Net receipts from trading activities (foreign currencies, gold and securities)	1,038,282	522,878
05 Other income	95,888	106,374
06 Collection of bad debts previously written off	93,796	102,746
07 Payments for salary and operating expenses	(2,966,164)	(2,303,581)
08 Corporate income tax paid during the year	(853,028)	(556,783)
Cash flows from operating activities before changes in operating assets and liabilities	4,920,560	4,824,263
Changes in operating assets		
09 Decrease/(increase) in balances with and loans to other CIs	3,751,040	(7,256,985)
10 Decrease in held-for-trading securities	16,335,506	4,890,294
11 (Increase)/decrease in derivatives and other financial assets	(32,841)	192,408
12 Increase in loans and advances to customers	(24,326,850)	(16,175,863)
13 Utilisation of allowance	(478,661)	(564,542)
14 Increase in other operating assets	(3,273,937)	(1,540,172)
Changes in operating liabilities		
15 Increase in amounts due to the Government and the SBV	1,665,933	1,967,061
16 Increase in deposits and borrowings from other CIs	1,997,875	15,911,616
17 Increase/(decrease) in deposits from customers	5,736,260	(3,483,729)
18 Increase in valuable papers issued	2,451,400	11,988,460
21 Increase in other operating liabilities	2,948	97,224
I NET CASH FLOWS FROM OPERATING ACTIVITIES	8,749,233	10,850,035

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

	2022 VND million	2021 VND million
CASH FLOWS FROM INVESTING ACTIVITIES		
01 Purchase of fixed assets	(291,947)	(113,197)
08 Collections on investments in other entities	24,102	21,041
09 Receipt of dividends and profit from long-term investments	7,893	15,986
II NET CASH FLOWS FROM INVESTING ACTIVITIES	(259,952)	(76,170)
CASH FLOWS FROM FINANCING ACTIVITIES		
01 Proceeds from issuing shares	3,610,673	2,405,623
III NET CASH FLOWS FROM FINANCING ACTIVITIES	3,610,673	2,405,623
IV NET CASH FLOWS DURING THE YEAR	12,099,954	13,179,488
V CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	43,206,191	30,026,703
VII CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR (NOTE 36)	55,306,145	43,206,191

27 March 2023

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 separate financial statements

These notes form an integral part of and should be read in conjunction with the accompanying separate 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; short, medium and long-term lending 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 31 December 2022, the Bank's charter capital was VND20,402,983 million (31/12/2021: VND14,784,884 million). The Bank issued 2,040,298,268 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 31 December 2022, the Bank had one (01) Head Office, one (01) representative office, forty nine (49) branches, one hundred and thirty two (132) transaction offices nationwide and two (02) 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 (02) 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 31 December 2022, the Bank had 5,158 employees (31/12/2021: 4,501 employees).

2. Basis of preparation

(a) Statement of compliance

The separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the SBV and the relevant statutory requirements applicable to 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 separate financial statements are not intended to present the Bank's unconsolidated financial position, unconsolidated results of operations and unconsolidated cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnam's accounting principles, procedures and practices applicable to credit institutions.

The Bank has also prepared the consolidated financial statements of the Bank and its subsidiaries (collectively referred to as "SeABank") in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the SBV and the relevant statutory requirements applicable to financial reporting. For a comprehensive understanding of SeABank's consolidated financial position, their consolidated results of operations and consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2022.

(b) Basis of measurement

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

(c) Accounting period

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

(d) Accounting currency

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

3. Summary of significant accounting policies

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

(a) 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 the Bank at the end of the last working day of the annual accounting period if the difference between this rate and the weighted average buying and selling exchange rate of the last working day of the annual accounting period is less than 1% (refer to Note 43(b) for details of foreign exchange rates as at 31 December 2022). If the difference between the average buying and selling spot exchange rate at the end of the last working day of the annual accounting period and the weighted average buying and selling exchange rate of the last working day of the annual accounting period is greater than or equal to 1%, the Bank shall use the weighted average buying and selling 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 annual accounting period are recognised in the separate statement of income.

(b) 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 of not exceeding three months from the acquisition date.

(c) Deposits with and loans to other credit institutions

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

Term deposits at and loans to other CIs are stated at cost less allowance for credit risks.

Credit risk classification of deposits 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, the Bank has provided specific allowance for balances with and loans to other CIs in accordance with the method described in Note 3(g).

According to Circular 11, the Bank is not required to make general allowance for deposits with and loans to other CIs.

(d) 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 the Bank has the positive intention and ability to hold until maturity.

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

(ii) Recognition

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

(iii) Measurement

Debt securities

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

For debt investment securities, the Bank 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 separate 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 annual accounting period. If there is no transaction within 10 days to the end of the annual accounting period, the Bank 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, the Bank provides allowance for credit risk of such securities in accordance with the provisions of the Circular as described in Note 3(g).

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 separate statement of income upon receipt.

(iv) ***De-recognition***

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

(e) **Long-term investments**

(i) ***Investments in subsidiaries***

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

Investments in subsidiaries are stated at cost less allowance for diminution in value of investments. Distributions from the accumulated net profits of the subsidiaries arising subsequent to the date of acquisition are recognised in the separate statement of income.

(ii) ***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.

(iii) ***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 Bank'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.

(f) 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.

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

Debt classification and allowance for loans and advances to customers are made in accordance with Circular 11 as described in Note 3(g).

(g) 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, the Bank implements monthly debt classification based on outstanding principal balance of debts at the last working day of the month.

The Bank implements debt classification using the quantitative method as follows:

Debt group		Overdue status
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

<i>Debt group</i>		<i>Overdue status</i>
		(f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period of less than 30 days from the date of the collection decision.
4	Doubtful	(a) Debts being overdue between 181 days and 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue up to 90 days according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time which is undue; or (d) Debts specified in point (d) of Sub-standard debts not yet collected between 30 days and 60 days since the issuance date of recovery decision; or (e) Debts in the collection process under inspection conclusions but being overdue up to 60 days according to recovery term; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period between 30 to 60 days from the date of the collection decision.
5	Loss	(a) Debts being overdue more than 360 days; or (b) Debts having terms of repayment rescheduled for the first time and being overdue from 91 days and more according to the first rescheduled terms of repayment; or (c) Debts having terms of repayment rescheduled for the second time and being overdue according to the second reschedule terms of repayment; or (d) Debts having terms of repayment rescheduled for the third time or more, regardless of whether the debts are overdue or not; or (e) Debts specified in point (d) of Sub-standard debts not yet collected over 60 days since the issuance date of recovery decision; or (f) Debts in the collection process under inspection conclusions but being overdue of more than 60 days according to recovery term; or (g) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected for more than 60 days from the date of the collection decision; or (h) Debts to credit institutions being announced under special supervision status by the SBV, or to foreign bank branches of which capital and assets are blockaded.

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

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

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

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

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

The Bank 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 31 December 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, the Bank 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, the Bank 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 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 Bank is not required to make provision for off-balance sheet commitments, except where the Bank has been required to make payment under the guarantee contract, in which case the payment on behalf is classified and provision is made in accordance with the accounting policy as described in Note 3(g).

(h) Derivative financial instruments

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

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

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

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

Foreign currency option contracts are a transaction where a customer gives the Bank 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 separate 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 separate 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.

(i) **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 separate statement of income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditure has resulted in an increase in the future economic benefits expected to be obtained from the use of tangible fixed assets beyond its originally assessed standard of performance, the expenditure is capitalised as an additional cost of tangible fixed assets.

(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	8 - 50 years
▪ machines and equipment	6 - 15 years
▪ means of transportation	6 - 10 years
▪ office equipment	5 - 8 years
▪ other tangible fixed assets	5 years

(j) **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 over 10 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.

(k) **Other assets**

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

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

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%

(l) Other provisions

A provision other than provisions described in Notes 3(c), 3(d), 3(e), 3(f), 3(g) and 3(k) is recognised if, as a result of a past event, the Bank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liabilities.

(m) Deposits from customers

Deposits from customers are stated at cost.

(n) 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.

(o) Other payables

Other payables are stated at cost.

(p) 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.

(q) Reserves and fund

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

(r) Bonus and welfare fund

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

(s) Revenue

(i) Interest income

Interest income is recognised in the separate statement of income on an accrual basis, except for interest on debts classified in Group 2 to Group 5 as defined in Note 3(g) 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 separate statement of income upon receipt.

(ii) Fee and commission income

Fee and commissions income is recognised in the separate 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 separate statement of income when the Bank's right to receive dividend is established.

Dividends received in the form of shares, bonus shares and rights to purchase shares given to existing shareholders, shares distributed from retained earnings are not recognised as an increase in investment and such dividend income is not recognised in the separate statement of income. When share dividends are received, the Bank only recognises an increase in the number of shares in the notes to the separate financial statements.

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

(t) Interest expenses

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

(u) Fee and commission expenses

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

(v) Operating lease payments

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

(w) Taxation

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

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

Deferred tax is 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 annual accounting period.

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

(x) Related parties

Related parties of the Bank include:

- The subsidiaries of the Bank;
- Management or members of the Supervisory Board of the Bank;
- Individuals, organisations that hold at least 5% of charter capital or share capital with voting rights of the Bank;
- 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 the Bank;

- 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 the Bank's paid-in capital and shares.

(y) Commitments and contingent liabilities

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

(z) Nil balances

Items or balances required by Decision No. 16/2007/QĐ-NHNN dated 18 April 2007 ("Decision 16") of SBV's Governor promulgating the regulation on financial reporting regime applicable to CIs and Circular No. 49/2014/TT-NHNN dated 31 December 2014 ("Circular 49") of 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 separate financial statements indicate nil balances.

(aa) Financial instruments

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

(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 the Bank as financial assets at fair value through profit or loss.

Held-to-maturity investments

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

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

Available-for-sale financial assets

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

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

(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 the Bank as financial liabilities at fair value through profit or loss.

Financial liabilities carried at amortised cost

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

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

4. Cash and gold on hand

	31/12/2022 VND million	31/12/2021 VND million
Cash on hand in VND	864,214	799,577
Cash on hand in foreign currencies	172,741	276,213
Gold	821	207
	<u>1,037,776</u>	<u>1,075,997</u>

5. Balances with the SBV

	31/12/2022 VND million	31/12/2021 VND million
Balances with the SBV in VND	7,610,566	2,541,196
Balances with the SBV in foreign currencies	1,170,338	2,230,506
Guarantee deposit	500,000	25,000
	<u>9,280,904</u>	<u>4,796,702</u>

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

Year-end CRR rates were as follows:

Deposits in scope

	CRR rates	
	31/12/2022	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

	31/12/2022 VND million	31/12/2021 VND million
Current accounts		
Current accounts in VND	7,260,204	12,264,081
Current accounts in foreign currencies	450,981	728,371
Term deposits		
Term deposits in VND	34,829,160	20,458,240
Term deposits in foreign currencies	2,447,120	3,882,800
	44,987,465	37,333,492
Loans to other CIs		
Loans to other CIs in VND	3,605,945	5,083,507
Loans to other CIs in foreign currencies	-	2,273,478
	3,605,945	7,356,985
Total	48,593,410	44,690,477

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

Year-end annual interest rates was as follows:

	31/12/2022 % per annum	31/12/2021 % per annum
Term deposits in VND	2.80% - 10.5%	1.10% - 5.00%
Term deposits in foreign currencies	4.60% - 4.75%	0.10% - 0.50%
Loans in VND	4.04% - 10.96%	0.25% - 3.45%
Loans in foreign currencies	Not applicable	0.20% - 1.54%

7. Held-for-trading securities

	31/12/2022 VND million	31/12/2021 VND million
Debt securities		
Bonds issued by the Government	3,070,752	8,544,746
Bonds issued by local CIs	2,336,333	3,445,688
Bonds issued by local economic entities	-	1,503,575
	<u>5,407,085</u>	<u>13,494,009</u>
Allowance for held-for-trading securities		
General allowance (i)	-	(11,277)
Allowance for diminution in value (ii)	-	(102)
	<u>-</u>	<u>(11,379)</u>
	<u>5,407,085</u>	<u>13,482,630</u>

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

	31/12/2022 VND million	31/12/2021 VND million
Listed	3,070,752	9,076,713

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

	2022 VND million	2021 VND million
Opening balance	11,277	4,765
Allowance (reversed)/made during the year (Note 29)	(11,277)	6,512
Closing balance	<u>-</u>	<u>11,277</u>

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

	2022 VND million	2021 VND million
Opening balance	102	439
Allowance reversed during the year (Note 29)	(102)	(337)
Closing balance	<u>-</u>	<u>102</u>

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

	31/12/2022		31/12/2021	
	Term	Interest rate per annum	Term	Interest rate per annum
Government bonds	15 years - 30 years	2.50% - 8.00%	10 years - 30 years	2.20% - 8.70%
Bonds issued by local credit institutions (in VND)	Not applicable		2 years - 15 years	2.70% - 7.60%
Bonds issued by local economic entities (in VND)	Not applicable		1 year - 10 years	7.50% - 10.00%
Certificates of deposits issued by other local CIs	0.6 year - 1 year	6.40% - 13.5%	1 year - 3 years	6.50% - 11.50%

8. Loans to customers

	31/12/2022 VND million	31/12/2021 VND million
Loans to local economic entities and individuals	148,854,143	124,514,411
Payments on behalf of customers	5,761	5,761
Loans to foreign economic entities and individuals	366,856	379,738
	149,226,760	124,899,910

Loan portfolio by debt classification was as follows:

	31/12/2022 VND million	31/12/2021 VND million
Group 1 - Current debt	146,658,946	122,717,627
Group 2 - Special mentioned debt	290,480	133,717
Group 3 - Sub-standard debt	391,536	307,217
Group 4 - Doubtful debt	168,082	316,348
Group 5 - Loss debt	1,717,716	1,425,001
	149,226,760	124,899,910

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

Loan portfolio by term was as follows:

	31/12/2022 VND million	31/12/2021 VND million
Short-term loan	74,165,503	70,550,464
Medium-term loan	42,601,413	26,514,307
Long-term loan	32,459,844	27,835,139
	149,226,760	124,899,910

Loan portfolio by customer type and ownership was as follows:

	31/12/2022	%	31/12/2021	%
	VND million		VND million	
Loans to economic entities				
State-owned companies	1,343,195	0.91	1,447,697	1.16
Limited liability companies	55,020,221	36.87	41,826,685	33.49
Joint stock companies in which the State's holding percentage is more than 50% (dominating percentage)	3,001,502	2.01	3,105,530	2.49
Other joint stock companies	55,411,304	37.13	50,595,918	40.51
Partnerships	44,775	0.03	24,154	0.02
Private companies	179,560	0.12	155,845	0.12
Foreign invested enterprises	493,395	0.33	437,743	0.35
Cooperatives, cooperative unions	4,382	0.00	35,714	0.03
Loans to individuals				
Household business, individuals	33,725,951	22.60	27,266,314	21.83
Other loans				
Other economic sectors	2,475	0.00	4,310	0.00
	<u>149,226,760</u>	<u>100.00</u>	<u>124,899,910</u>	<u>100.00</u>

Loan portfolio by industry sectors was as follows:

	31/12/2022	%	31/12/2021	%
	VND million		VND million	
Agriculture, forestry and aquaculture	141,735	0.09	186,674	0.15
Mining	1,284,768	0.86	1,182,702	0.95
Manufacturing and processing	11,390,000	7.63	7,857,069	6.29
Electricity, gas, hot water, steam and air-conditioning	1,326,144	0.89	1,563,952	1.25
Construction	6,340,235	4.25	4,597,966	3.68
Wholesale and retail trade; repair of motor	22,605,524	15.15	21,195,602	16.97
Transportation and warehouse	9,871,501	6.62	8,615,412	6.90
Hospitality services	12,035,540	8.07	10,969,642	8.78
Information and communications	4,298,000	2.88	2,620,737	2.10
Financial and insurance services	3,308,279	2.22	2,298,678	1.84
Real estate	7,332,956	4.91	5,845,064	4.68
Science and technology	9,809,000	6.57	7,990,560	6.40
Health care and social work	104,328	0.07	119,426	0.10
Art, entertainment and recreation	9,874,313	6.62	7,585,494	6.07
Employment activities in households, production of material products and services for household self-consumption	33,725,951	22.60	27,266,314	21.83
Other service activities	15,778,486	10.57	15,004,618	12.01
	149,226,760	100.00	124,899,910	100.00

Loan portfolio by currency

	31/12/2022	31/12/2021
	VND million	VND million
Loans in VND	146,872,205	121,864,616
Loans in foreign currencies	2,354,555	3,035,294
	149,226,760	124,899,910

Year-end annual interest rates were as follows:

	31/12/2022	31/12/2021
Loans in VND	3.50% - 13.50%	3.50% - 10.35%
Loans in foreign currencies	2.50% - 5.84%	2.50% - 3.64%

9. Allowance for loans to customers

Allowance for loans to customers consists of:

	31/12/2022 VND million	31/12/2021 VND million
General allowance (i)	1,106,290	926,062
Specific allowance (ii)	1,170,275	813,893
	<u>2,276,565</u>	<u>1,739,955</u>

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

	2022 VND million	2021 VND million
Opening balance	926,062	741,690
Allowance made during the year	180,228	184,372
Closing balance	<u>1,106,290</u>	<u>926,062</u>

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

	2022 VND million	2021 VND million
Opening balance	813,893	363,855
Allowance made during the year	835,043	1,014,580
Utilisation of allowance	(478,661)	(564,542)
Closing balance	<u>1,170,275</u>	<u>813,893</u>

10. Investment securities

(a) Available-for-sale securities

	31/12/2022 VND million	31/12/2021 VND million
Debt securities		
In which:		
- Bonds issued by the Government	3,168,253	6,705,572
- Debt securities issued by other local CIs	2,351,512	1,829,073
- Debt securities issued by local economic entities	250,000	5,457,404
- Certificates of deposits issued by other local CIs	2,099,485	2,125,783
	<u>7,869,250</u>	<u>16,117,832</u>

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

	31/12/2022		31/12/2021	
	Term	Interest rate per annum	Term	Interest rate per annum
Bonds issued by the Government	7 years - 30 years	2.10% - 6.60%	5 years - 30 years	2.20% - 8.80%
Debt securities issued by other local CIs	1 year - 15 years	2.5% - 15.00%	1 year - 15 years	2.90% - 15.00%
Debt securities issued by local economic entities	4 years	9.53%	3 years - 5 years	9.00% - 10.00%
Certificates of deposits issued by other local CIs	1 year - 3 years	2.43% - 9.09%	1 year - 3 years	2.90% - 11.50%

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

	31/12/2022 VND million	31/12/2021 VND million
Current debt	<u>250,000</u>	<u>5,457,404</u>

(b) Held-to-maturity securities

	31/12/2022 VND million	31/12/2021 VND million
Bonds issued by local economic entities	319,364	319,364

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

	31/12/2022		31/12/2021	
	Term	Interest rate per annum	Term	Interest rate per annum
Held-to-maturity securities				
Bonds issued by local economic entities	10 years	8.9%	10 years	8.9%

11. Allowance for investment securities

	31/12/2022 VND million	31/12/2021 VND million
Available-for-sale securities (i)	1,875	40,931
Held-to-maturity securities	2,395	2,395
	4,270	43,326

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

Year ended 31 December 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 during the year (Note 30)	(39,056)	-	(39,056)
Closing balance	1,875	-	1,875

Year ended 31 December 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	1,129	37,195
Allowance made/(reversed) during the year (Note 30)	4,865	(1,129)	3,736
Closing balance	40,931	-	40,931

12. Long-term investments

	31/12/2022 VND million	31/12/2021 VND million
Investments in subsidiaries (i)	1,760,000	1,760,000
Other long-term investments (ii)	59,070	83,172
Allowance for diminution in value of long-term investments (iii)	(1,119)	(1,443)
	1,817,951	1,841,729

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

Subsidiary's name	31/12/2022		31/12/2021	
	Cost VND million	% owned	Cost VND million	% owned
SeABank Asset Management Company Limited	500,000	100%	500,000	100%
Post and Telecommunication Finance Company Limited	1,260,000	100%	1,260,000	100%
	1,760,000		1,760,000	

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

Investees' names	31/12/2022		31/12/2021	
	Cost VND million	% owned	Cost VND million	% owned
AJC Joint Stock Company	-	0.00%	24,102	10.00%
PetroVietnam Oil Tay Ninh Joint Stock Company	12,470	9.59%	12,470	9.59%
Phu My Oil Processing Joint Stock Company	11,000	2.20%	11,000	2.20%
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%
PetroVietnam Oil Mien Trung Joint Stock Company	4,800	1.59%	4,800	1.59%
National Payment Corporation of Vietnam	3,300	1.06%	3,300	1.06%
PetroVietnam Oil Hanoi Joint Stock Company	7,500	2.83%	7,500	3.00%
	<u>59,070</u>		<u>83,172</u>	

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

	2022 VND million	2021 VND million
Opening balance	1,443	-
Allowance (reversed)/made during the year (Note 33)	(324)	1,443
Closing balance	<u>1,119</u>	<u>1,443</u>

13. Tangible fixed assets

Year ended 31 December 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	258,787	290,049	96,111	12,359	675,433
Additions	1,153	60,439	106,719	20,234	10,880	199,425
Disposals	(206)	-	(1,108)	(502)	(885)	(2,701)
Closing balance	19,074	319,226	395,660	115,843	22,354	872,157
Accumulated depreciation						
Opening balance	5,081	142,865	158,941	73,999	8,790	389,676
Charge for the year	967	19,515	28,133	9,643	1,800	60,058
Disposals	(206)	-	(1,074)	(502)	(885)	(2,667)
Closing balance	5,842	162,380	186,000	83,140	9,705	447,067
Net book value						
Opening balance	13,046	115,922	131,108	22,112	3,569	285,757
Closing balance	13,232	156,846	209,660	32,703	12,649	425,090

Included in tangible fixed assets were assets costing VND72,533 million which were fully depreciated as of 31 December 2022 (31/12/2021: VND71,943 million), but which are still in active use.

Southeast Asia Commercial Joint Stock Bank

No. 198, Tran Quang Khai, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam

Notes to the separate financial statements for the year ended 31 December 2022 (continued)

Form B05/TCTD
(Issued under Circular
No. 49/2014/TT-NHNN dated 31 December 2014
of the State Bank of Vietnam)

Year ended 31 December 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	338,843	275,564	90,430	12,768	735,732
Additions	-	9,111	41,134	14,545	1,401	66,191
Disposals	-	(89,167)	(26,649)	(8,864)	(1,810)	(126,490)
Closing balance	18,127	258,787	290,049	96,111	12,359	675,433
Accumulated depreciation						
Opening balance	4,253	195,101	168,275	75,429	9,894	452,952
Charge for the year	828	20,580	17,315	7,431	709	46,863
Disposals	-	(72,816)	(26,649)	(8,861)	(1,813)	(110,139)
Closing balance	5,081	142,865	158,941	73,999	8,790	389,676
Net book value						
Opening balance	13,874	143,742	107,289	15,001	2,874	282,780
Closing balance	13,046	115,922	131,108	22,112	3,569	285,757

14. Intangible fixed assets

Year ended 31 December 2022

	Land use rights	Software and other assets	Total
	VND million	VND million	VND million
Cost			
Opening balance	377,996	379,660	757,656
Additions	6,378	86,144	92,522
Decreases	-	(1,071)	(1,071)
Closing balance	384,374	464,733	849,107
Accumulated amortisation			
Opening balance	-	162,423	162,423
Charge for the year	-	31,853	31,853
Decreases	-	(1,071)	(1,071)
Closing balance	-	193,205	193,205
Net book value			
Opening balance	377,996	217,237	595,233
Closing balance	384,374	271,528	655,902

Included in intangible fixed assets were assets costing VND33,859 million which were fully amortised as of 31 December 2022 (31/12/2021: VND20,251 million), but which are still in active use.

Year ended 31 December 2021

	Land use rights	Software and other assets	Total
	VND million	VND million	VND million
Cost			
Opening balance	377,996	361,353	739,349
Additions	-	47,006	47,006
Decreases	-	(28,699)	(28,699)
Closing balance	377,996	379,660	757,656
Accumulated amortisation			
Opening balance	-	160,987	160,987
Charge for the year	-	27,410	27,410
Decreases	-	(25,974)	(25,974)
Closing balance	-	162,423	162,423
Net book value			
Opening balance	377,996	200,366	578,362
Closing balance	377,996	217,237	595,233

15. Other assets

	31/12/2022 VND million	31/12/2021 VND million
Receivables		
Internal receivables	932,829	412,117
External receivables	5,030,479	1,543,446
<i>In which:</i>		
- Receivables from usance payable at sight letters of credit (i)	4,783,266	1,339,893
- Other external receivables	247,213	203,553
	<hr/> 5,963,308	<hr/> 1,955,563
Interest and fee receivables	2,503,670	1,665,984
Other assets		
Prepaid expenses	1,235,867	1,222,594
Assets foreclosed	140,359	908,982
	<hr/> 1,376,226	<hr/> 2,131,576
	9,843,204	5,753,123
Allowance for other on-balance sheet assets (ii)	(27,393)	(28,057)
	<hr/> 9,815,811	<hr/> 5,725,066

- (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:

	2022 VND million	2021 VND million
Opening balance	28,057	21,628
Allowance (reversed)/made during the year (Note 33)	(664)	6,429
	<hr/> 27,393	<hr/> 28,057

16. Amounts due to the Government and the SBV

	31/12/2022 VND million	31/12/2021 VND million
Borrowings on discounted and rediscounted valuable papers	1,700,330	-
Borrowings from the SBV	2,138,366	2,172,763
	<u>3,838,696</u>	<u>2,172,763</u>

17. Deposits and borrowings from other credit institutions

	31/12/2022 VND million	31/12/2021 VND million
Demand deposits from other CIs		
In VND	8,119,281	12,506,163
In foreign currencies	8	8
Term deposits from other CIs		
In VND	33,671,380	20,939,489
In foreign currencies	3,364,790	2,352,520
	<u>45,155,459</u>	<u>35,798,180</u>
Borrowings from other CIs		
In VND	6,033,185	17,889,112
In which: - Borrowings on discounted and rediscounted valuable papers	1,646,841	11,549,130
- Borrowings on mortgages and pledges	-	2,564,883
- Other borrowings	4,386,344	3,775,099
In foreign currencies	9,420,677	4,924,154
In which: - Borrowings on mortgages and pledges	82,355	1,575,960
- Other borrowings(*)	9,338,322	3,348,194
	<u>15,453,862</u>	<u>22,813,266</u>
	<u>60,609,321</u>	<u>58,611,446</u>

(*) In which, the amount as at 31 December 2022 includes a convertible loan from the International Finance Corporation ("IFC") amounting to USD 75 million. IFC may convert this loan into shares of the Bank during the term of the loan.

Year-end annual interest rates were as follows:

	31/12/2022	31/12/2021
Term deposits in VND	2.85% - 8.80%	1.15% - 3.60%
Term deposits in foreign currencies	4.30% - 4.75%	0.20% - 0.45%
Borrowings in VND	3.51% - 10.63%	0.80% - 4.73%
Borrowings in foreign currencies	1.00% - 7.86%	0.53% - 2.90%

18. Mobilization from deposits from customers

	31/12/2022 VND million	31/12/2021 VND million
Demand deposits		
• Demand deposits in VND	10,023,071	7,855,084
• Demand deposits in foreign currencies	733,004	660,476
Savings deposits and term deposits		
• Savings deposits and term deposits in VND	103,137,487	98,946,537
• Savings deposits and term deposits in foreign currencies	820,657	1,118,662
Deposits for special purpose	410,512	350,626
Margin deposits	426,048	883,134
	115,550,779	109,814,519

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

	31/12/2022 VND million	31/12/2021 VND million
State-owned enterprises	13,712,535	10,736,497
Limited liability companies	8,070,459	8,010,237
Joint stock companies in which the State's holding percentage is more than 50%	8,141,264	7,331,166
Other joint stock companies	12,891,411	15,082,426
Partnerships	22,842	13,807
Private companies	344,397	391,654
Foreign invested enterprises	783,568	955,081
Cooperatives, cooperative unions	129,949	145,415
Household business, individuals	70,742,334	66,614,614
Others	712,020	533,622
	115,550,779	109,814,519

Year-end annual interest rates were as follows:

	31/12/2022	31/12/2021
Demand deposits in VND	0% - 1.00%	0.00% - 0.20%
Demand deposits in foreign currencies	0.00%	0.00%
Term deposits in VND	1.00% - 9.50%	0.20% - 6.25%
Term deposits in foreign currencies	0.00% - 0.98%	0.20% - 0.98%

19. Derivatives and other financial liabilities

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

	As at 31 December 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	30,349,361	(42,203)	44,384,185	4,052
Interest rate forward contracts	597,258	9,205	-	-
Currency swap contracts	82,465,401	52,765	92,696,124	(104,126)
Interest rate swap contracts	2,318,270	(34,730)	3,478,270	52,270
	115,730,290	(14,963)	140,558,579	(47,804)

20. Mobilization from issuing valuable papers to customers

	31/12/2022 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	1,650,000	900,000
Certificates of deposits	8,955,600	8,253,200
	<u>21,504,600</u>	<u>19,053,200</u>

Year-end annual interest rates were as follows:

	31/12/2022	31/12/2021
Term bonds		
▪ From 12 months up to less than 5 years	3.20% - 4.70%	3.60% - 4.00%
▪ Over 5 years	6.60% - 9.00%	7.80% - 9.00%
Certificates of deposits	3.70% - 9.50%	3.60% - 8.60%

21. Other liabilities

	31/12/2022 VND million	31/12/2021 VND million
Internal payables	11,357	14,475
External payables	4,331,737	3,472,140
In which:		
▪ <i>Accrued interest and fee payables</i>	3,644,040	2,947,320
▪ <i>Deferred income</i>	517	634
▪ <i>Taxes and others payable to State Treasury (Note 39)</i>	408,211	297,806
▪ <i>Other payables</i>	278,969	226,380
Bonus and welfare fund	66,308	30,877
	<u>4,409,402</u>	<u>3,517,492</u>

22. Capital and reserves

Changes in capital and reserves of the Bank during the year ended 31 December 2022 and 31 December 2021 were as follows:

	Charter capital	Share premium	Financial reserve	Reserve to supplement charter capital	Retained earnings	Total
	VND million	VND million	VND million	VND million	VND million	VND million
Balance at 1 January 2021	12,087,442	-	263,052	156,104	1,306,857	13,813,455
Profit for the year	-	-	-	-	2,630,247	2,630,247
Increase of capital from shares issued	1,595,000	810,623	-	-	-	2,405,623
Shares issued for payment of dividends (Note 24)	1,102,442	-	-	-	(1,102,442)	-
Appropriation to reserves	-	-	263,025	131,511	(394,536)	-
Appropriation to bonus and welfare fund	-	-	-	-	(18,419)	(18,419)
Other decreases	-	-	-	-	(714)	(714)
Balance at 31 December 2021	14,784,884	810,623	526,077	287,615	2,420,993	18,830,192
Balance at 1 January 2022	14,784,884	810,623	526,077	287,615	2,420,993	18,830,192
Profit for the year	-	-	-	-	3,894,486	3,894,486
Increase of capital from shares issued to existing shareholders	1,813,116	906,557	-	-	-	2,719,673
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 (Note 24)	2,113,988	-	-	-	(2,113,988)	-
Shares issued under the Employee Stock Ownership Plan	594,000	297,000	-	-	-	891,000
Appropriation to reserves	-	-	389,450	194,724	(584,174)	-
Appropriation to bonus and welfare fund	-	-	-	-	(92,000)	(92,000)
Other decreases	-	-	-	-	(2,644)	(2,644)
Balance at 31 December 2022	20,402,983	1,204,184	915,527	195,340	3,522,673	26,240,707

23. Share capital

	31/12/2022		31/12/2021	
	Number of shares	VND million	Number of shares	VND million
Shares issued to the public				
Ordinary shares	2,040,298,268	20,402,983	1,478,488,369	14,784,884
Shares in circulation				
Ordinary shares	2,040,298,268	20,402,983	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. Share dividends are issued to existing shareholders using the method of exercise rights. All ordinary shares are ranked equally with regard to the Bank's residual assets.

24. 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 retained 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.

25. Interest and similar income

	2022 VND million	2021 VND million
Interest income from deposits	861,090	143,116
Interest income from loans	12,682,880	9,593,340
Income from investments in securities	746,306	1,751,934
Income from guarantee services	102,285	72,823
Other income from credit activities	109,098	91,805
	14,501,659	11,653,018

26. Interest and similar expenses

	2022 VND million	2021 VND million
Interest expense for deposits	6,533,384	5,825,276
Interest expense for borrowings	556,747	153,714
Interest expense for valuable papers issued	879,855	538,142
Other expenses for credit activities	119,920	105,780
	8,089,906	6,622,912

27. Net fee and commission income

	2022 VND million	2021 VND million
Fee and commission income from		
Settlement and cash services	325,607	184,938
Treasury services	6,971	5,411
Insurance agency services	533,564	249,392
Consulting services	123,656	237,684
Other services	478,838	610,561
	<hr/> 1,468,636	<hr/> 1,287,986
Fee and commission expenses for		
Settlement and cash services	(81,601)	(59,034)
Treasury services	(21,384)	(18,290)
Other services	(124,652)	(98,305)
	<hr/> (227,637)	<hr/> (175,629)
Net fee and commission income	<hr/> 1,240,999	<hr/> 1,112,357

28. Net gain from trading of foreign currencies

	2022 VND million	2021 VND million
Income from trading of foreign currencies		
Spot foreign exchange trading	1,399,358	1,182,391
Currency derivatives	950,759	486,641
Income from trading of gold	4,774	2,606
	<hr/> 2,354,891	<hr/> 1,671,638
Expenses for trading of foreign currencies		
Spot foreign exchange trading	(38,655)	(77,748)
Currency derivatives	(2,087,171)	(1,444,547)
Expenses for trading of gold	(5,179)	(457)
	<hr/> (2,131,005)	<hr/> (1,522,752)
Net gain from trading of foreign currencies	<hr/> 223,886	<hr/> 148,886

29. Net gain from held-for-trading securities

	2022 VND million	2021 VND million
Gain from held-for-trading securities	371,161	378,497
Loss from held-for-trading securities	(154,429)	(314,438)
General allowance reversed/(made) for held-for-trading securities (Note 7)	11,277	(6,512)
Allowance reversed for diminution in value of held-for-trading securities (Note 7)	102	337
	228,111	57,884

30. Net gain from investment securities

	2022 VND million	2021 VND million
Gain from sales of investment securities	813,819	400,540
Loss from sales of investment securities	(216,155)	(90,607)
Allowance reversed/(made) for investment securities (Note 11)	39,056	(3,736)
	636,720	306,197

31. Net gain from other activities

	2022 VND million	2021 VND million
Income from other activities		
Income from other derivatives	295,649	294,620
Income from other activities	109,713	141,969
	405,362	436,589
Expenses for other activities		
Expenses for other derivatives	(201,012)	(197,763)
Expenses for other activities	(14,698)	(48,782)
	(215,710)	(246,545)
Net income from other activities	189,652	190,044

32. Income from capital contribution, share purchase

	2022 VND million	2021 VND million
Dividends received from capital contribution, share purchase	7,893	15,986
Gain from disposal of long-term investments	-	6,041
	<u>7,893</u>	<u>22,027</u>

33. Operating expenses

	2022 VND million	2021 VND million
Tax, duties and fees	34,698	77,847
Staff costs:		
- <i>Salary and allowances</i>	1,542,139	1,157,075
- <i>Salary based contribution</i>	84,490	57,551
- <i>Allowances</i>	166	486
- <i>Other staff expenses</i>	47,566	21,753
Expenses on assets		
- <i>Depreciation and amortisation of fixed assets</i>	91,912	74,273
- <i>Others</i>	463,471	332,686
Administrative expenses		
- <i>Per diems</i>	25,790	17,492
- <i>Printing materials and papers</i>	41,496	36,649
- <i>Postage and telephone expenses</i>	36,530	37,297
- <i>Others</i>	405,902	303,909
Insurance fee for customers' deposits	100,038	112,083
Other expenses	183,878	148,753
Allowance for diminution in value of long-term investments (reversed)/made (Note 12)	(324)	1,443
Allowance for other on-balance sheet assets (reversed)/made (Note 15)	(664)	6,429
	<u>3,057,088</u>	<u>2,385,726</u>

34. Off-balance sheet items

(a) Contingent liabilities and commitments issued

	31/12/2022 VND million			31/12/2021 VND million		
	Contractual value - gross	Margin deposits	Contractual value - net	Contractual value - gross	Margin deposits	Contractual value - net
Loan guarantees	-	-	-	94,083	(94,083)	-
Foreign exchange commitments	89,722,996	-	89,722,996	94,432,442	-	94,432,442
▪ Foreign currency purchase commitments	705,900	-	705,900	1,430,311	-	1,430,311
▪ Foreign currency sale commitments	705,900	-	705,900	625,751	-	625,751
▪ Currency swap commitments	88,311,196	-	88,311,196	92,376,380	-	92,376,380
Letters of credit	5,518,179	(24,492)	5,493,687	1,828,529	(45,970)	1,782,559
Other guarantees	6,389,232	(280,286)	6,108,946	4,467,549	(240,097)	4,227,452
Interest rate swaps	7,759,570	-	7,759,570	8,089,470	-	8,089,470

(b) Uncollected loan interest and fees

	31/12/2022 VND million	31/12/2021 VND million
Loan interest not yet collected	1,642,443	2,178,165

(c) Written-off principal of bad debts

	31/12/2022 VND million	31/12/2021 VND million
Principle balance of bad debts written-off under monitoring	4,731,933	4,358,723

(d) Other assets and documents in custody

	31/12/2022 VND million	31/12/2021 VND million
Precious metals, precious stones kept under custody	125,751	68,799
Outsourced assets	1,408,430	1,456,092
	1,534,181	1,524,891

35. Corporate income tax

(a) Recognition in the separate statement of income

	2022 VND million	2021 VND million
Current tax expense		
Current year	972,169	652,576

(b) Reconciliation of effective tax rate

	2022 VND million	2021 VND million
Accounting profit before tax	4,866,655	3,282,823
Tax at the Bank's tax rate	973,331	656,565
Tax exempt income	(1,579)	(4,405)
Non-deductible expenses	417	416
	972,169	652,576

(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 (2021: 20%). The corporate income tax computation is subject to review and approval by local tax authorities.

36. Cash and cash equivalents

	31/12/2022 VND million	31/12/2021 VND million
Cash and gold on hand	1,037,776	1,075,997
Balances with the SBV	9,280,904	4,796,702
Demand deposits with other CIs	7,711,185	12,992,451
Deposits with other CIs with original terms not exceeding three months	37,276,280	24,341,041
	<u>55,306,145</u>	<u>43,206,191</u>

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

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

	31/12/2022 VND million	31/12/2021 VND million
Real estate	145,460,512	169,909,818
Movable assets	11,534,630	13,896,766
Valuable papers	18,139,552	26,390,943
Other collaterals	93,916,445	82,455,931
	<u>269,051,139</u>	<u>292,653,458</u>

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

	31/12/2022 VND million	31/12/2021 VND million
Held-for-sale investment securities		
- Bonds issued by the Government	2,479,610	5,448,000
- Bonds issued by local CIs	865,000	1,317,000
	<u>3,344,610</u>	<u>6,765,000</u>

38. Employee benefits

	2022	2021
Average number of employees (persons)	4,850	4,234
Employees' income (VND million)	1,542,139	1,157,075
Bonus and incentives (VND million)	27,785	17,893
	<u>1,569,924</u>	<u>1,174,968</u>
Average monthly income (VND million/person/month)	26.97	23.12

39. Obligations to the State Treasury

Year ended 31 December 2022

	1/1/2022	Incurred during the year	Paid during the year	31/12/2022
	VND million	VND million	VND million	VND million
Payables to State Treasury				
Value added tax	20,265	104,252	(112,864)	11,653
Corporate income tax	270,169	972,169	(853,028)	389,310
Personal income tax	7,372	153,650	(153,774)	7,248
Other taxes	-	35,834	(35,834)	-
	<u>297,806</u>	<u>1,265,905</u>	<u>(1,155,500)</u>	<u>408,211</u>

Year ended 31 December 2021

	1/1/2021	Incurred during the year	Paid during the year	31/12/2021
	VND million	VND million	VND million	VND million
Payables to State Treasury				
Value added tax	3,923	104,491	(88,149)	20,265
Corporate income tax	174,376	652,576	(556,783)	270,169
Personal income tax	5,647	90,302	(88,577)	7,372
Other taxes	-	12,721	(12,721)	-
	<u>183,946</u>	<u>860,090</u>	<u>(746,230)</u>	<u>297,806</u>

40. Significant transactions and balances with related parties

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

The following related parties mainly had transactions and/or balances with the Bank during the year:

Related parties	Relationship
SeABank Asset Management Company Limited	Subsidiary
Post and Telecommunication Finance Company Limited	Subsidiary
Thang Long GTC Joint Stock Company	Common members of BOD
BRG Group Joint Stock Company ("BRG") and its subsidiaries	Common members of BOD
Hanoitourist Service Joint Stock Company	Common members of BOD
Vietnam Engine and Agricultural Machinery Corporation and its subsidiaries	Common members of BOD
North Hanoi Smart City Development Investment Joint Stock Company	Common members of BOD

Members of Board of Directors, Supervisory Board and Board of Management.

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

	Assets/(Liabilities)	
	31/12/2022	31/12/2021
	VND million	VND million
<i>SeABank Asset Management Company Limited</i>		
▪ Capital contribution from the Bank	500,000	500,000
▪ Demand deposits at the Bank	(761)	(15,538)
▪ Term deposits at the Bank	(3,000)	(15,000)
▪ Other payables to the Bank	8,795	11,462
▪ Other receivable from the Bank	(19)	(120)
<i>Post and Telecommunication Finance Company Limited</i>		
▪ Capital contribution from the Bank	1,260,000	1,260,000
▪ Demand deposits at the Bank	(889,694)	(245,448)
▪ Term deposits from the Bank	3,525,000	2,100,000
▪ Deposit certificates at the Bank	1,420,000	400,000
▪ Other payables to the Bank	509,556	5,747
<i>Thang Long GTC Joint Stock Company</i>		
▪ Demand deposits at the Bank	(9,182)	(60,785)
▪ Term deposits at the Bank	(314,900)	(370,400)
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
▪ Demand deposits at the Bank	(345,320)	(152,553)
▪ Term deposits at the Bank	(268,094)	(631,545)
▪ Borrowings from the Bank	302	-
▪ Guarantees at the Bank	942,967	3,425

	Assets/(Liabilities)	
	31/12/2022	31/12/2021
	VND million	VND million
<i>Hanoitourist Service Joint Stock Company</i>		
▪ Demand deposits at the Bank	(21,069)	(9,473)
▪ Term deposits at the Bank	(295,782)	(301,228)
▪ Guarantees at the Bank	5,191	5,103
<i>Vietnam Engine and Agricultural Machinery Corporation</i>		
▪ Demand deposits at the Bank	(11,518)	(25,704)
▪ Term deposits at the Bank	(1,470,631)	(1,679,300)
▪ Guarantees at the Bank	582	-
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
▪ Demand deposits at the Bank	(84,865)	(163,416)
▪ Term deposits at the Bank	(2,350,000)	(3,000,000)

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

	Revenue/(Expenses)	
	2022	2021
	VND million	VND million
<i>SeABank Asset Management Company Limited</i>		
▪ Interest expenses on deposits	(870)	(4,999)
▪ Office rental expenses	(4,267)	(4,260)
▪ Gain from capital contribution	-	14,025
▪ Interest income from loans	-	4,338
<i>Post and Telecommunication Finance Company Limited</i>		
▪ Interest income from deposits	128,918	8,700
▪ Interest expenses on deposits	(263)	(196)
<i>Thang Long GTC Joint Stock Company</i>		
▪ Interest expenses on deposits	(17,703)	(20,394)
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
▪ Interest expenses on deposits	(15,539)	(16,467)
▪ Interest income from loans	-	41,407
▪ Income from guarantee fee	11,641	71
<i>Hanoitourist Service Joint Stock Company</i>		
▪ Interest expenses on deposits	(12,373)	(12,817)
▪ Income from guarantee fee	25	19

	Revenue/(Expenses)	
	2022	2021
	VND million	VND million
<i>Vietnam Engine and Agricultural Machinery Corporation and its subsidiaries</i>		
▪ Interest expenses on deposits	(105,525)	(74,501)
▪ Interest income from loans	51	-
▪ Income from guarantee fee	10	-
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
▪ Interest expenses on deposits	(82,472)	(95,648)
Remuneration of the Board of Directors	(15,163)	(10,350)
▪ Chairman	(4,390)	(3,240)
▪ Standing Vice Chairwoman	(3,510)	(2,160)
▪ Vice Chairwoman - Full-time Member	(2,620)	(1,000)
▪ Vice Chairwoman	(1,080)	(1,080)
▪ 02 Members of Board of Directors	(1,080)	(1,080)
▪ Independent Members of Board of Directors	(2,483)	(1,790)
Remuneration of the Supervisory Board	(2,160)	(2,172)
Salary of the General Director and other managers	(29,083)	(24,198)

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

Concentration of assets, liabilities and off-balance sheet items by geographical region of the Bank's partners as at 31 December 2022 are as follows:

	Domestic VND million	Overseas VND million	Total VND million
Total loans to customers and other CIs	152,465,849	366,856	152,832,705
Total deposits from customers and other CIs	160,690,149	16,089	160,706,238
Contingent credit commitments	11,602,633	-	11,602,633
Derivative financial instruments	14,963	-	14,963
Trading and investment securities	13,595,699	-	13,595,699

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

	Domestic VND million	Overseas VND million	Total VND million
Total loans to customers and other CIs	131,877,157	379,738	132,256,895
Total deposits from customers and other CIs	145,543,598	69,101	145,612,699
Contingent credit commitments	6,010,011	-	6,010,011
Derivative financial instruments	47,804	-	47,804
Trading and investment securities	29,931,205	-	29,931,205

42. Financial risk management

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

Risk management policy

The Board of Directors has overall responsibility for the establishment and oversight of the Bank'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 the Bank's Charter and General Shareholders' Meeting resolution from time to time.

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

43. Market risk

(a) Interest rate risk

The Bank'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.

The Bank adopts a interest risk measurement method for all assets - liabilities items with respect to interest income. The Bank 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 the Bank's assets and liabilities categorised by the contractual re-pricing or maturity date and the interest rates at the end of the annual accounting period. 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 31 December 2022 (VND million)	Overdue	Non-interest sensitive	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	-	1,037,776	-	-	-	-	-	-	1,037,776
Balances with the SBV	-	9,280,904	-	-	-	-	-	-	9,280,904
Deposits with and loans to other CIs - gross	-	7,711,185	23,667,000	13,915,225	150,000	3,150,000	-	-	48,593,410
Held-for-trading securities - gross	-	-	5,407,085	-	-	-	-	-	5,407,085
Loans to customers - gross	2,567,814	-	33,056,813	51,818,670	38,053,871	19,117,571	4,336,532	275,489	149,226,760
Investment securities - gross	-	-	-	699,485	300,000	1,819,823	2,481,556	2,887,750	8,188,614
Long-term investments - gross	-	1,819,070	-	-	-	-	-	-	1,819,070
Fixed assets - net	-	1,080,992	-	-	-	-	-	-	1,080,992
Other assets - gross	-	9,843,204	-	-	-	-	-	-	9,843,204
Total assets	2,567,814	30,773,131	62,130,898	66,433,380	38,503,871	24,087,394	6,818,088	3,163,239	234,477,815
Liabilities									
Amounts due to the Government and the SBV	-	-	1,700,330	53,201	68,086	2,017,079	-	-	3,838,696
Deposits and borrowings from other CIs	-	8,119,290	25,815,862	13,816,634	533,192	3,500,593	6,470,750	2,353,000	60,609,321
Deposits from customers	-	-	29,723,855	21,353,798	40,006,567	17,443,011	7,023,528	20	115,550,779
Derivatives and other financial liabilities	-	14,963	-	-	-	-	-	-	14,963
Valuable papers issued	-	-	-	-	3,200,000	2,800,000	15,504,600	-	21,504,600
Other liabilities	-	4,409,402	-	-	-	-	-	-	4,409,402
Total liabilities	-	12,543,655	57,240,047	35,223,633	43,807,845	25,760,683	28,998,878	2,353,020	205,927,761
Interest sensitivity gap	2,567,814	18,229,476	4,890,851	31,209,747	(5,303,974)	(1,673,289)	(22,180,790)	810,219	28,550,054

As at 31 December 2021 (VND million)	Overdue	Non-interest sensitive	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	-	1,075,997	-	-	-	-	-	-	1,075,997
Balances with the SBV	-	4,796,702	-	-	-	-	-	-	4,796,702
Deposits with and loans to other CIs - gross	-	12,992,452	21,358,953	7,999,769	2,339,303	-	-	-	44,690,477
Held-for-trading securities - gross	-	-	13,494,009	-	-	-	-	-	13,494,009
Loans to customers - gross	2,182,282	-	19,828,790	34,080,889	38,377,787	26,794,559	2,227,451	1,408,152	124,899,910
Investment securities - gross	-	-	1,099,999	300,008	2,800,220	4,382,989	6,119,601	1,734,379	16,437,196
Long-term investments - gross	-	1,843,172	-	-	-	-	-	-	1,843,172
Fixed assets - net	-	880,990	-	-	-	-	-	-	880,990
Other assets - gross	-	5,753,123	-	-	-	-	-	-	5,753,123
Total assets	2,182,282	27,342,436	55,781,751	42,380,666	43,517,310	31,177,548	8,347,052	3,142,531	213,871,576
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	-	12,506,171	30,576,929	10,943,119	1,354,080	261,947	2,969,200	-	58,611,446
Deposits from customers	-	-	28,888,113	28,210,150	24,047,626	17,333,254	11,333,376	2,000	109,814,519
Derivatives and other financial liabilities	-	47,804	-	-	-	-	-	-	47,804
Valuable papers issued	-	-	17,930	225,630	1,365,940	143,700	17,300,000	-	19,053,200
Other liabilities	-	3,517,492	-	-	-	-	-	-	3,517,492
Total liabilities	-	16,071,467	59,508,212	39,439,866	26,835,732	19,757,371	31,602,576	2,000	193,217,224
Interest sensitivity gap	2,182,282	11,270,969	(3,726,461)	2,940,800	16,681,578	11,420,177	(23,255,524)	3,140,531	20,654,352

(b) **Currency risk**

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

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

The following table presents currency status of the Bank's assets and liabilities as at 31 December 2022:

As at 31 December 2022 (VND million)	USD	EUR	Others	Total
Assets				
Cash and gold on hand	121,607	38,137	13,818	173,562
Balances with the SBV	1,170,338	-	-	1,170,338
Deposits with and loans to other CIs - gross	2,793,441	58,318	46,342	2,898,101
Derivatives and other financial assets	7,859,683	-	(2,971)	7,856,712
Loans to customers - gross	2,354,555	-	-	2,354,555
Other assets - gross	492,802	379	2,967	496,148
	14,792,426	96,834	60,156	14,949,416
Liabilities				
Deposits and borrowings from other CIs	12,782,509	-	2,967	12,785,476
Deposits from customers	1,826,265	96,288	38,620	1,961,173
Other liabilities	216,953	992	521	218,466
	14,825,727	97,280	42,108	14,965,115
FX position on balance sheet	(33,301)	(446)	18,048	(15,699)

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	
	31/12/2022	31/12/2021
	VND	VND
AUD	16,068.00	16,593.00
CAD	17,452.00	17,974.00
CHF	25,450.00	24,892.00
KRW	18.81	19.28
EUR	25,284.00	25,981.00
GBP	28,582.00	30,958.00
HKD	3,018.00	2,920.00
JPY	179.00	198.50
SGD	17,617.00	16,934.00
THB	681.00	678.00
USD	23,530.00	22,840.00
XAU	6,615,000.00	6,110,000.00

44. Credit risk

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

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

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

As at 31 December 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	9,280,904	-	-	9,280,904
Deposits with and loans to other CIs - gross	48,593,410	-	-	48,593,410
Loans to customers - gross	146,008,296	650,650	2,567,814	149,226,760
Investment securities - gross	8,188,614	-	-	8,188,614
Other financial assets - gross	8,439,585	-	27,393	8,466,978
	220,510,809	650,650	2,595,207	223,756,666

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	4,796,702	-	-	4,796,702
Deposits with and loans to other CIs - gross	44,690,477	-	-	44,690,477
Loans to customers - gross	122,212,339	505,288	2,182,283	124,899,910
Investment securities - gross	16,437,196	-	-	16,437,196
Other financial assets - gross	3,593,490	-	28,057	3,621,547
	191,730,204	505,288	2,210,340	194,445,832

45. Liquidity risk

Liquidity risk arises from the Bank'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 the Bank according to their maturities as at 31 December 2022 and 31 December 2021:

As at 31 December 2022 (VND million)	Overdue		Up to 1 month	From 1 to 3 months	Current From 3 to 12 months	From 1 to 5 years	More than 5 years	Total
Assets								
Cash and gold on hand	-	-	1,037,776	-	-	-	-	1,037,776
Balances with the SBV	-	-	9,280,904	-	-	-	-	9,280,904
Deposits with and loans to other CIs	-	-	31,378,185	13,915,225	3,300,000	-	-	48,593,410
Held-for-trading securities - gross	-	-	5,407,085	-	-	-	-	5,407,085
Loans to customers - gross	290,480	2,277,334	10,077,874	15,808,900	71,702,924	33,797,222	15,272,026	149,226,760
Investment securities - gross	-	-	-	699,485	2,119,823	1,232,487	4,136,819	8,188,614
Long-term investments - gross	-	-	-	-	-	-	1,819,070	1,819,070
Fixed assets	-	-	-	-	-	-	1,080,992	1,080,992
Other assets - gross	-	-	1,048,860	1,776,795	5,048,804	855,817	1,112,928	9,843,204
Total assets	290,480	2,277,334	58,230,684	32,200,405	82,171,551	35,885,526	23,421,835	234,477,815
Liabilities								
Amounts due to the Government and the SBV	-	-	1,700,330	53,201	2,085,165	-	-	3,838,696
Deposits and borrowings from other CIs	-	-	33,935,152	13,816,634	4,033,785	6,470,750	2,353,000	60,609,321
Deposits from customers	-	-	29,723,855	21,353,798	57,449,579	7,023,528	19	115,550,779
Derivatives and other financial liabilities	-	-	(342,057)	46,016	311,004	-	-	14,963
Valuable papers issued	-	-	-	-	6,000,000	15,504,600	-	21,504,600
Other liabilities	-	-	758,356	877,395	2,329,302	387,419	56,930	4,409,402
Total liabilities	-	-	65,775,636	36,147,044	72,208,835	29,386,297	2,409,949	205,927,761
Net liquidity gap	290,480	2,277,334	(7,544,952)	(3,946,639)	9,962,716	6,499,229	21,011,886	28,550,054

As at 31 December 2021 (VND million)	Overdue		Current		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	-	-	1,075,997	-	-	-
Balances with the SBV	-	-	4,796,702	-	-	-
Deposits with and loans to other CIs	-	-	34,351,405	7,999,769	-	-
Held-for-trading securities - gross	-	-	13,494,009	-	-	-
Loans to customers - gross	133,718	2,048,565	7,136,031	8,661,320	27,683,931	14,916,111
Investment securities - gross	-	-	99,999	300,008	4,269,632	7,595,787
Long-term investments - gross	-	-	-	-	-	1,843,172
Fixed assets	-	-	-	-	-	880,990
Other assets - gross	-	-	394,784	1,038,350	1,329,252	1,470,576
Total assets	133,718	2,048,565	61,348,927	17,999,447	33,282,815	26,706,636
Liabilities						
Amounts due to the Government and the SBV	-	-	25,240	60,967	-	-
Deposits and borrowings from other CIs	-	-	43,083,100	10,943,119	2,969,200	-
Deposits from customers	-	-	28,888,113	28,210,150	11,333,376	2,000
Derivatives and other financial liabilities	-	-	8,746	16,572	(34,270)	-
Valuable papers issued	-	-	17,930	225,630	17,300,000	-
Other liabilities	-	-	815,465	1,075,489	368,046	30,930
Total liabilities	-	-	72,838,594	40,531,927	31,936,352	32,930
Net liquidity gap	133,718	2,048,565	(11,489,667)	(22,532,480)	1,346,463	26,673,706
						20,654,352

46. Subsequent event

On 3 January 2023, the Board of Directors of the Bank issued Decision No.06/2023/QĐ-HĐQT on appointment of Mr. Faussier Loic Michel Marc as General Director from 3 January 2023.

47. Changes in the structure of the Bank

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

Prepared by:



Nghiem Thi Thu Nga
Preparer

27 March 2023

Approved by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

