

Southeast Asia Commercial Joint Stock Bank

Separate Financial Statements

Quarter IV of 2023 and for the year ended 31 December 2023



TABLE OF CONTENTS

| <u>CONTENTS</u> | <u>PAGE(S)</u> |
|--|-----------------------|
| SEPARATE STATEMENT OF FINANCIAL POSITION | 1 – 4 |
| SEPARATE INCOME STATEMENT | 5 |
| SEPARATE STATEMENT OF CASH FLOWS | 6 – 7 |
| NOTES TO THE SEPARATE FINANCIAL STATEMENTS | 8 – 59 |

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

| | Notes | 31/12/2023 VND million | 31/12/2022 VND million |
|---|-------|---------------------------|---------------------------|
| A ASSETS | | | |
| I Cash and gold on hand | V.1 | 851,268 | 1,037,776 |
| II Balances with the State Bank of Vietnam ("SBV") | V.2 | 2,784,593 | 9,280,904 |
| III Balances with and loans to other credit institutions ("CIs") | V.3 | 52,998,574 | 48,593,410 |
| 1 Balances with other CIs | | 50,108,024 | 44,987,465 |
| 2 Loans to other CIs | | 2,890,550 | 3,605,945 |
| 3 Allowance for credit losses of loans to other CIs | | - | - |
| IV Securities held-for-trading | V.4 | 8,353,236 | 5,407,085 |
| 1 Securities held-for-trading | | 8,353,236 | 5,407,085 |
| 2 Allowance for securities held-for-trading | | - | - |
| V Derivatives and other financial assets | | - | - |
| VI Loans and advances to customers | | 173,289,042 | 146,950,195 |
| 1 Loans and advances to customers | V.5 | 176,077,943 | 149,226,760 |
| 2 Allowance for loans and advances to customers | V.6 | (2,788,901) | (2,276,565) |
| VII Debts purchasing | | - | - |
| 1 Purchased debts | | - | - |
| 2 Allowance for purchased debts | | - | - |
| VIII Investment securities | | 14,268,585 | 8,184,344 |
| 1 Available-for-sale securities | V.7a | 13,953,491 | 7,869,250 |
| 2 Held-to-maturity securities | V.7b | 319,364 | 319,364 |
| 3 Allowance for investment securities | V.7c | (4,270) | (4,270) |
| IX Long-term investments | V.8 | 2,318,530 | 1,817,951 |
| 1 Investment in subsidiaries | | 2,260,000 | 1,760,000 |
| 2 Investments in joint-ventures | | - | - |
| 3 Investments in associates | | - | - |
| 4 Other long-term investments | | 59,070 | 59,070 |
| 5 Allowance for diminution in value of long-term investments | | (540) | (1,119) |
| X Fixed assets | | 1,265,655 | 1,080,992 |
| 1 Tangible fixed assets | V.9 | 549,636 | 425,090 |
| - Cost | | 1,078,032 | 872,157 |
| - Accumulated depreciation | | (528,396) | (447,067) |
| 2 Finance lease assets | | - | - |
| - Cost | | - | - |
| - Accumulated depreciation | | - | - |

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2023

| | | Notes | 31/12/2023 VND million | 31/12/2022 VND million |
|------------|---|--------------|---|---|
| 3 | Intangible fixed assets | V.10 | 716,019 | 655,902 |
| | - Cost | | 950,649 | 849,107 |
| | - Accumulated amortisation | | (234,630) | (193,205) |
| XI | Investment property | | - | - |
| | - Cost | | - | - |
| | - Accumulated depreciation | | - | - |
| XII | Other assets | V.11 | 12,030,665 | 9,815,811 |
| 1 | Receivables | | 6,638,083 | 5,963,308 |
| 2 | Accrued interest and fee receivables | | 3,363,298 | 2,503,670 |
| 3 | Deferred tax assets | | - | - |
| 4 | Other assets | | 2,056,959 | 1,376,226 |
| | - In which: Goodwill | | - | - |
| 5 | Allowance for other on balance sheet assets | | (27,675) | (27,393) |
| | TOTAL ASSETS | | 268,160,148 | 232,168,468 |

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2023

| | Notes | 31/12/2023 VND million | 31/12/2022 VND million |
|---|-------------|---------------------------|---------------------------|
| B LIABILITIES AND OWNERS' EQUITY | | | |
| I Amounts due to the Government and the SBV | | 2,538,637 | 3,838,696 |
| 1 Deposits and borrowings from the Government and the SBV | V.12 | 2,538,637 | 3,838,696 |
| 2 Sale and repurchase of Government bonds arrangements with State Treasury | | - | - |
| II Deposits and borrowings from other CIs | V.13 | 68,352,556 | 60,609,321 |
| 1 Deposits from other CIs | | 48,701,317 | 45,155,459 |
| 2 Borrowings from other CIs | | 19,651,239 | 15,453,862 |
| III Deposits from customers | V.14 | 145,225,061 | 115,550,779 |
| IV Derivative and other financial liabilities | V.15 | 107,131 | 14,963 |
| V Other borrowed and entrusted funds | | - | - |
| VI Valuable papers issued | V.16 | 16,846,100 | 21,504,600 |
| VII Other liabilities | V.17 | 4,752,035 | 4,409,402 |
| 1 Accrued interest and fee payables | | 3,769,648 | 3,644,040 |
| 2 Deferred tax liabilities | | - | - |
| 3 Other liabilities | | 982,387 | 765,362 |
| 4 Other provisions (for contingent liabilities and off-balance sheet commitments) | | - | - |
| TOTAL LIABILITIES | | 237,821,520 | 205,927,761 |
| VIII Owners' equity | V.18 | 30,338,628 | 26,240,707 |
| 1 Capital | | 25,063,167 | 21,607,167 |
| - Charter capital | | 24,957,000 | 20,402,983 |
| - Construction and fixed assets purchase fund | | - | - |
| - Share premium | | 106,167 | 1,204,184 |
| - Treasury shares | | - | - |
| - Preferential shares | | - | - |
| - Other capital | | - | - |
| 2 Reserves | | 1,667,355 | 1,110,867 |
| 3 Foreign exchange differences | | - | - |
| 4 Revaluation reserve | | - | - |
| 5 Retained earnings | | 3,608,106 | 3,522,673 |
| TOTAL OWNERS' EQUITY | | 30,338,628 | 26,240,707 |
| TOTAL LIABILITIES AND OWNERS' EQUITY | | 268,160,148 | 232,168,468 |

SEPARATE STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2023

| | Notes | 31/12/2023 VND million | 31/12/2022 VND million |
|---|-------------|---------------------------|---------------------------|
| OFF-BALANCE SHEET ITEMS | V.34 | | |
| 1 Loan guarantees | | - | - |
| 2 Foreign exchange commitments | | | |
| <i>Foreign currency purchase commitments</i> | | 8,707 | 705,900 |
| <i>Foreign currency sale commitments</i> | | 8,693 | 705,900 |
| <i>Swaps commitments</i> | | 64,332,668 | 88,311,196 |
| 3 Irrevocable lending commitments | | - | - |
| 4 Letters of credit | | 6,602,763 | 5,493,687 |
| 5 Other guarantees (warranty guarantee, performance guarantee, advance guarantee) | | 5,212,031 | 6,108,946 |
| 6 Interest rate swaps | | 7,974,600 | 7,759,570 |
| 7 Uncollected loan interest and fees | | 2,146,096 | 1,642,443 |
| 8 Written-off principal of bad debts | | 4,950,956 | 4,731,933 |
| 9 Other items and documents | | 1,489,332 | 1,534,181 |

30 January 2024

th Preparer

Chief Accountant

Deputy General Director

Nm

th



Nghiêm Thị Thu Nga

Nguyễn Thị Hoài Phương

Nguyễn Thị Thu Hương

SEPARATE INCOME STATEMENT

Quarter IV of 2023 and for the year ended 31 December 2023

Unit: VND million

| | Notes | Quarter IV | | Accumulated from the beginning of the year to the end of this quarter | |
|---|-------|------------------|------------------|---|--------------------|
| | | Current year | Prior year | Current year | Prior year |
| 1 Interest and similar income | V.19 | 5,122,753 | 4,210,593 | 19,463,219 | 14,501,659 |
| 2 Interest and similar expenses | V.20 | (2,990,480) | (2,462,115) | (12,675,373) | (8,089,906) |
| I. Net interest income | | 2,132,273 | 1,748,478 | 6,787,846 | 6,411,753 |
| 3 Fee and commission income | | 479,233 | 334,249 | 1,335,314 | 1,468,636 |
| 4 Fee and commission expenses | | (58,602) | (87,160) | (205,931) | (227,637) |
| II. Net fee and commission income | V.21 | 420,631 | 247,089 | 1,129,383 | 1,240,999 |
| III. Net gain from trading of foreign currencies | V.22 | 243,967 | 79,459 | 602,470 | 223,886 |
| IV. Net gain/(loss) from securities held-for-trading | V.23 | (202,866) | (40,361) | 109,180 | 228,111 |
| V. Net gain from investment securities | V.24 | 106,513 | 30,071 | 208,080 | 636,720 |
| 5 Other income | | 69,434 | 115,562 | 330,383 | 405,362 |
| 6 Other expenses | | (28,249) | (45,208) | (140,905) | (215,710) |
| VI. Net other income | V.25 | 41,185 | 70,354 | 189,478 | 189,652 |
| VII. Income from long-term investments | V.26 | - | 242 | 44,007 | 7,893 |
| VIII. Operating expenses | V.27 | (959,922) | (892,072) | (3,275,899) | (3,057,088) |
| IX. Net operating profit before allowance expenses for credit losses | | 1,781,781 | 1,243,260 | 5,794,545 | 5,881,926 |
| X. Allowance expenses for credit losses | | (334,115) | (250,743) | (1,167,611) | (1,015,271) |
| XI. Profit before tax | | 1,447,666 | 992,517 | 4,626,934 | 4,866,655 |
| 7 Current income tax expenses | | (289,648) | (199,483) | (917,013) | (972,169) |
| 8 Deferred income tax expense | | - | - | - | - |
| XII. Income tax expense | V.28 | (289,648) | (199,483) | (917,013) | (972,169) |
| XIII. Net profit after tax | | 1,158,018 | 793,034 | 3,709,921 | 3,894,486 |

30 January 2024

Preparer

Chief Accountant

Deputy General Director

Nghiêm Thị Thu Nga

Nguyễn Thị Hoài Phương

Nguyễn Thị Thu Hương

SEPARATE STATEMENT OF CASH FLOWS
Quarter IV of 2023 and for the year ended 31 December 2023
(Direct method)

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| 01 Interest and similar income received | 18,603,591 | 13,663,973 |
| 02. Interest and similar expenses paid | (12,549,765) | (7,393,186) |
| 03. Net fees and commission income received | 1,129,383 | 1,240,999 |
| 04. Net receipts from foreign currencies and securities trading | 919,730 | 1,038,282 |
| 05. Other income | 107,827 | 95,888 |
| 06. Proceeds from bad debts previously written off | 81,623 | 93,796 |
| 07. Payments for personnel and operating expenses | (3,150,798) | (2,966,164) |
| 08. Corporate income tax paid during the year | (760,130) | (853,028) |
| Cash flows from operating activities before changes in operating assets and liabilities | 4,381,461 | 4,920,560 |
| <i>Changes in operating assets</i> | | |
| 09. Changes in balances with and loans to other credit institutions | 715,395 | 3,751,040 |
| 10. Changes in securities held-for-trading | (9,030,392) | 16,335,506 |
| 11. Changes in derivatives and other financial assets | 92,168 | (32,841) |
| 12. Changes in loans and advances to customers | (26,851,183) | (24,326,850) |
| 13. Utilisation of allowance for credit losses | (655,275) | (478,661) |
| 14. Changes in other operating assets | (1,855,508) | (3,273,937) |
| <i>Changes in operating liabilities</i> | | |
| 15. Changes in amounts due to the Government and the SBV | (1,300,059) | 1,665,933 |
| 16. Changes in deposits and borrowings from other credit institutions | 7,743,235 | 1,997,875 |
| 17. Changes in deposits from customers | 29,674,282 | 5,736,260 |
| 18. Changes in valuable papers issued | (4,658,500) | 2,451,400 |
| 19. Changes in other borrowed and entrusted funds | - | - |
| 20. Changes in other operating liabilities | (55,858) | 2,948 |
| 21. Utilisation of reserves | - | - |
| I. Net cash flows from operating activities | (1,800,234) | 8,749,233 |

SEPARATE STATEMENT OF CASH FLOWS (continued)
Quarter IV of 2023 and for the year ended 31 December 2023
(Direct method)

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| 01. Purchase of fixed assets | (310,061) | (291,947) |
| 02. Receipts from sales, disposal of fixed assets | 28 | - |
| 03. Payments for sales, disposal of fixed assets | - | - |
| 04. Purchase of investment property | - | - |
| 05. Receipts from sales, disposals of investment property | - | - |
| 06. Payments for sales, disposals of investment property | - | - |
| 07. Payments for investments in other entities | - | - |
| 08. Receipts from investments in other entities | - | 24,102 |
| 09. Dividends and profit received from long-term investments | 44,007 | 7,893 |
| II. Net cash flows from investing activities | (266,026) | (259,952) |
| CASH FLOWS FROM FINANCING ACTIVITIES | | |
| 01. Increase in share capital from issuing stocks | 504,000 | 3,610,673 |
| 02. Receipts from issuance of long-term valuable papers eligible to be included in capital and from other long-term borrowings | - | - |
| 03. Payments for redemption of long-term valuable papers eligible to be included in capital and for other long-term borrowings | - | - |
| 04. Dividends paid to shareholders | - | - |
| 05. Treasury shares purchase | - | - |
| 06. Treasury shares sale | - | - |
| III. Net cash flows from financing activities | 504,000 | 3,610,673 |
| IV. Net cash flows during the year | (1,562,260) | 12,099,954 |
| V. Cash and cash equivalents at the beginning of the year | 55,306,145 | 43,206,191 |
| VI. Effects of changes in foreign exchange rate | - | - |
| VII. Cash and cash equivalents at the end of the year (Note 29) | 53,743,885 | 55,306,145 |

Preparer

Nghiem Thi Thu Nga

30 January 2024

Chief Accountant

Nguyen Thi Hoai Phuong



Deputy General Director

Nguyen Thi Thu Huong

NOTES TO THE SEPARATE FINANCIAL STATEMENTS

As at 31 December 2023

I. Corporate Information

| | | |
|--|---|--|
| Banking Operation License No. | 0051/QĐ/NH-GP dated 25 March 1994 | |
| | The Banking Operation License was issued by the State Bank of Vietnam ("the SBV") and is valid for 99 years from the date of the Banking Operation License. The Banking Operation License have been amended several times, the most recent of which is under Decision 1402/QĐ-NHNN dated 24 July 2023 of the State Bank of Vietnam. | |
| Business Registration Certificate No. | 0200253985 date 14 January 2005 | |
| | Business Registration Certificate has been amended several times, the most recent of which is the 37th amendment dated 8 August 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 (from 28 April 2023) |
| | | Vice Chairwoman, Full-time Board Member (until 27 April 2023) |
| | Ms. Khuc Thi Quynh Lam | Vice Chairwoman |
| | Ms. Ngo Thi Nhai | Member (from 28 April 2023) |
| | | Independent Member (until 27 April 2023) |
| | Mr. Mathew Nevil Welch | Member (from 28 April 2023) |
| | | Independent Member (until 27 April 2023) |
| | Mr. Fergus Macdonald Clark | Independent Member (from 28 April 2023) |
| | Mr. Hoang Minh Tan | Member (until 27 April 2023) |
| | Mr. Bui Trung Kien | Member (until 27 April 2023) |
| Board of Management | Mr. Le Quoc Long | General Director (from 24 November 2023) |
| | | Acting General Director (from 1 August 2023 to 23 November 2023) |
| | | Standing Deputy General Director (until 31 July 2023) |
| | Mr. Faussier Loic Michel Marc | General Director (until 31 July 2023) |
| | 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 |

I. Corporate Information (continued)

| | | |
|-----------------------------|---|----------|
| Legal Representative | Mr. Le Van Tan | Chairman |
| Registered office | No. 198 Tran Quang Khai, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam | |

II. Operating characteristics of the credit institutions

1. Establishment and operation

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

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

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

2. Charter capital

As at 31 December 2023, the Bank's charter capital was VND24,537,000 million (31/12/2022: VND20,402,983 million).

3. Location and network

The Bank's Head Office is located at No. 198 Tran Quang Khai, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam. As at 31 December 2023, 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 (At 31/12/2022: 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).

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

| Company name | Operation License No. | Business sector | % owned by the Bank |
|--|---|---------------------------|----------------------------|
| SeABank Asset Management Company Limited | 0103099985 dated 16 December 2008 issued by Hanoi Planning and Investment Department and the latest amendment was 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.50/QD-NHNN dated 09 January 2023 of the Governor of the State Bank of Vietnam. | Consumer finance | 100% |

4. Total number of employees

As at 31 December 2023, the Bank had 5,207 employees (as at 31 December 2022, the Bank had 5,158 employees).

II. Basis of preparation

1. Basis of compliance

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

The Bank has also prepared the consolidated financial statements of the Bank and its subsidiaries (collectively referred to as "SeABank") in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting. For a comprehensive understanding of SeABank's consolidated financial position, their consolidated results of operations and consolidated cash flows, these separate financial statements should be read in conjunction with the consolidated financial statements for the year ended 31 December 2023.

2. Basis of measurement

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

3. Accounting period

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

4. Accounting and reporting currency

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

III. Summary of significant accounting policies

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

1. Foreign currency

Foreign currency transactions

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

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

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

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

2. Cash and cash equivalents

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

3. Balances with and loans to other credit institutions

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

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

Debt classification of term deposits at and loans to other credit institutions and allowance thereof is made in accordance with Circular No. 11/2021/TT-NHNN dated 30 July 2021 of the State Bank of Vietnam on classification of assets, level and method of allowance making, and use of allowance against credit risks in banking activities of credit institutions and foreign banks' branches ("Circular 11"). Accordingly, debt classification and allowance for term deposits at and loans to other credit institutions are made in accordance with the accounting policy as described in Note IV(7).

According to Circular 11, the Bank is not required to make general allowance for term deposits at and loans to other credit institutions.

4. Securities held-for-trading and investment securities

a) Classification

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

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

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

b) Recognition

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

c) Measurement

Debt securities

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

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

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

For debt securities of enterprises that 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 accounting policy as described in Note IV(7).

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. The allowance is reversed only to the extent that the securities' carrying amount does not exceed the carrying amount that has been determined if no allowance had been recognised.

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

4. Securities held-for-trading and investment securities (continued)

d) De-recognition

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

5. Long-term investments

a) Investments in subsidiaries

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

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

b) Other long-term investments

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

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

Allowance for diminution in value of other long-term investments is made when the invested economic entities suffer losses, except when the loss was anticipated in the initial business plan before the date of investment. Allowance for diminution in value is determined as the total actual contributed capital of parties to the investee less (-) the actual owner's equity multiplied (x) by 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 has been determined if no allowance had been recognised.

6. Loans and advances to customers

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

Short-term loans are those with maturity term of not more than 1 year from the loan disbursement date. Medium-term loans are those with maturity term between 1 to 5 years from the loan disbursement date. Long-term loans are those with maturity term of more than 5 years from the loan disbursement date.

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 IV(7).

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

a) Debt classification

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

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

is stipulated in Article 10 of Circular 11.

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

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

**7. Debt classification and the rate and method of making allowance for credit losses
(continued)**

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

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

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

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

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

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

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

The Bank has adopted Circular No. 02/2023/TT-NHNN dated 23 April 2023 ("Circular 02") issued by the SBV on providing regulations on rescheduling loan repayment term and keeping loan groups unchanged in order to support customers in difficulties. Accordingly, for debts:

- granted before 24 April 2023 and from lending and financial leasing activities;
- having principal and/or interest payment obligation incurred during the period from 24 April 2023 to 30 September 2024;
- with the outstanding debt balance being undue or up to 10 (ten) days overdue from the due date according to the contract/ agreement;
- the borrower is evaluated by the Bank as being unable to repay the principal and/or interest on schedule under the signed loan contract, agreement due to decrease in revenue or income compared to that in the plan for repayment of loan principals and/or interests under the contract or agreement; and evaluated by the Bank as being able to pay off the loan principal and/or interest on the rescheduled due date and not in violation of laws,

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

b) Specific allowance for credit losses

According to Circular 11, the Bank makes specific allowance for credit risks based on the allowance rates corresponding to debt classification results and the principals balance less the discounted value of collateral assets.

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

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

| Debt Group | | 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% |

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

The value of collateral assets are determined in accordance with Circular 11

Discount rates for collateral assets are determined as follows:

| Types of collateral assets | Discount rates |
|--|----------------|
| (a) Deposits and certificates of deposits from customers in VND at the credit institutions or foreign banks' branches | 100% |
| (b) Government bonds, gold bars, certificates of deposits from customers in foreign currencies at the credit institutions or foreign banks' branches | 95% |
| (c) Municipal bonds, government-guaranteed bonds, transferable instruments, valuable papers issued by the credit institution; deposits, certificates of deposit, bills and notes issued by other credit institutions or foreign bank branches: | |
| ▪ With a remaining term of below 1 year | 95% |
| ▪ With a remaining term of between 1 year to 5 years | 85% |
| ▪ With a remaining term of over 5 years | 80% |
| (d) Securities issued by other credit institutions and listed on a stock exchange | 70% |
| (e) Securities issued by enterprises (except for credit institutions) and listed on a stock exchange | 65% |
| (f) Securities unlisted on the Stock Exchange, valuable papers, except items specified in Point c, issued by credit institutions which have registered securities listing on the Stock Exchange | 50% |
| Securities unlisted on the Stock Exchange, valuable papers, except items specified in Point c, issued by credit institutions which have not registered securities listing on the Stock Exchange | 30% |
| (g) Unlisted securities and valuable papers issued by enterprises registered for listing on a stock exchange | 30% |
| Unlisted securities and valuable papers issued by enterprises not registered for listing on a stock exchange | 10% |
| (h) Real estates | 50% |
| (i) Other collateral assets | 30% |

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

Additional specific allowance in accordance with Circular 02

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

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

c) General allowance for credit risks

According to the requirements of Circular 11, general allowance is made at the rate of 0.75% of total outstanding debt balance classified from debt group 1 to debt group 4, except for the followings:

- Balances with other credit institutions;
- Lending and reverse repo transactions with other credit institutions
- Purchase of promissory notes, bills, certificates of deposits issued by other credit institutions
- Purchase and sale of Government bonds on stock market;

d) Write-off of bad debts

According to the requirements of Circular 11, debts are written off against the allowance when debts 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. Amounts collected from the debts previously written-off are recognised in the separate income statement upon receipt.

e) Off-balance sheet commitments

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

8. Derivative financial instruments

a) Currency derivative contracts

The Bank involves in derivative contracts including: forward contracts, swaps, options contracts facilitate customers to transfer, adjust or mitigate foreign exchange risks, other market risks, and to serve 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 financial statements. Differences upon revaluation at the end of the period are recognised as "Foreign exchange differences" on the separate financial statements

8. Derivative financial instruments (continued)

and are fully transferred to the separate financial statements 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 income statement on a straight-line basis over the term of the contracts.

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

b) Interest rate derivative contracts

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

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

For cross currency interest rate swap contracts that don't involve the exchange of principals denominated in two different currencies at the contract effective date, the contract value is recognised on the separate financial statements as that of currency forward contracts. These contracts are also accounted for in the same manner with currency forward contracts. Arising income and expenses due to interest rate effects are recognised on an accrual basis in the separate income statement.

9. Tangible fixed assets

a) Cost

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

9. Tangible fixed assets (continued)

b) Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of tangible fixed assets.

The estimated useful lives are as follows:

| | |
|--------------------------|--------------|
| Buildings and structures | 8 - 50 years |
| Machines and equipment | 6 - 15 years |
| Vehicles | 6 - 10 years |
| Office equipment | 5 - 8 years |
| Others | 5 years |

10. Intangible fixed assets

Software

The cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software costs are amortised on a straight-line basis ranging from 10 years.

Land use rights

Land use rights are stated at cost less accumulated amortisation. The initial cost of termed land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Termed land use rights are amortised on a straight-line basis over lease term or useful lives. Indefinite land use rights are not amortised.

11. Other assets

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

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

Allowance rates by overdue period are as follows:

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

12. Other provisions

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

13. Deposits from customers

Deposits from customers are stated at cost.

14. Valuable papers issued

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

15. Other payables

Other payables are stated at cost.

16. Share capital

Ordinary shares

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

Share premium

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

17. Reserves and funds

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

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

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

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

18. Bonus and welfare fund

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

19. Revenue

a) Interest income

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

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

b) Fee and commission income

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

c) Income from investing activities

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

Dividend income in the form of cash is recognised in the separate income statement 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 income statement. When stock dividends are received, the Bank only recognises an increase in the number of shares.

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

20. Interest expenses

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

21. Fee and commission expenses

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

22. Operating lease payments

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

23. Taxation

Income tax on the profit for the period comprises current and deferred tax. Income tax is recognised in the separate income statement 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 period, using tax rates enacted at the end of the accounting period, and any adjustment to tax payable in respect of previous periods.

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

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

24. Related parties

Related parties of the Bank include:

- The subsidiaries of the Bank;
- Management or members of the Supervisory Board of the Bank;
- Individuals, organisations that hold at least 5% of charter capital or share capital with voting rights of the Bank;
- 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 such individuals may significantly influence the enterprises. This case includes businesses owned by the Bank's leaders or key shareholders and those businesses that have the same key managing member with the Bank;
- Representatives for the Bank's capital contribution and shares purchase.

25. Financial instruments

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

a) *Financial assets*

Financial assets at fair value through profit or loss:

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

25. Financial instruments (continued)

Held-to-maturity investments

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

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

Loans and receivables

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

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

Available-for-sale financial assets

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

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

b) Financial liabilities

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities carried at amortised cost

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

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

26. Comparative information

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

IV. Notes to the Financial statements

1. Cash and gold on hand

| | 31/12/2023 VND million | 31/12/2022 VND million |
|------------------------------------|---------------------------|---------------------------|
| Cash on hand in VND | 683,570 | 864,214 |
| Cash on hand in foreign currencies | 141,070 | 172,741 |
| Gold | 26,628 | 821 |
| | 851,268 | 1,037,776 |

2. Balances with the State Bank of Vietnam

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---|---------------------------|---------------------------|
| Current accounts at the SBV in VND | 2,350,492 | 7,610,566 |
| Current accounts at the SBV in foreign currencies | 334,101 | 1,170,338 |
| Guarantee deposits in VND | 100,000 | 500,000 |
| | 2,784,593 | 9,280,904 |

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 | |
|--|------------|------------|
| | 31/12/2023 | 31/12/2022 |
| Deposits in foreign currencies other than VND with term of less than 12 months | 8.00% | 8.00% |
| Deposits in foreign currencies other than VND with term of and more than 12 months | 6.00% | 6.00% |
| Deposits in VND with term of less than 12 months | 3.00% | 3.00% |
| Deposits in VND with term of and more than 12 months | 1.00% | 1.00% |

3. Balances with and loans to other CIs

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---|---------------------------|---------------------------|
| Current accounts | 8,462,374 | 7,711,185 |
| Current accounts in VND | 7,750,688 | 7,260,204 |
| Current accounts in foreign currencies | 711,686 | 450,981 |
| Term deposits | 41,645,650 | 37,276,280 |
| Term deposits in VND | 30,789,300 | 34,829,160 |
| Term deposits in foreign currencies | 10,856,350 | 2,447,120 |
| | 50,108,024 | 44,987,465 |
| Loans to other CIs | | |
| Loans to other CIs in VND | 2,890,550 | 3,605,945 |
| | 2,890,550 | 3,605,945 |
| Total balances with and loans to other CIs | 52,998,574 | 48,593,410 |

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

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---------|---------------------------|---------------------------|
| Current | 44,536,200 | 40,882,225 |
| | 44,536,200 | 40,882,225 |

4. Securities held-for-trading

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---|---------------------------|---------------------------|
| Debt securities | | |
| Government bonds | 7,953,030 | 3,070,752 |
| Certificate of deposits issued by other local CIs | 200,000 | 2,336,333 |
| Bonds issued by other local CIs | 200,206 | - |
| | 8,353,236 | 5,407,085 |

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

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--------|---------------------------|---------------------------|
| Listed | 8,153,236 | 3,070,752 |

5. Loans and advances to customers

Loans portfolio by type:

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---|---|
| Loans to local economic entities and individuals | 175,739,826 | 148,854,143 |
| Payments on behalf of customers | 6,965 | 5,761 |
| Loans to foreign economic entities and individuals | 331,152 | 366,856 |
| | 176,077,943 | 149,226,760 |

Loans portfolio by quality:

| | 31/12/2023 VND million | 31/12/2022 VND million |
|-------------------|---|---|
| Current | 171,362,072 | 146,658,946 |
| Special mentioned | 1,464,395 | 290,480 |
| Sub-standard | 296,530 | 391,536 |
| Doubtful | 804,654 | 168,082 |
| Loss | 2,150,292 | 1,717,716 |
| | 176,077,943 | 149,226,760 |

Loans portfolio by term:

| | 31/12/2023 VND million | 31/12/2022 VND million |
|-------------------|---|---|
| Short-term loans | 62,249,870 | 74,165,503 |
| Medium-term loans | 86,149,871 | 42,601,413 |
| Long-term loans | 27,678,202 | 32,459,844 |
| | 176,077,943 | 149,226,760 |

Loans portfolio by currency:

| | 31/12/2023 VND million | 31/12/2022 VND million |
|-----------------------------|---|---|
| Loans in VND | 174,028,525 | 146,872,205 |
| Loans in foreign currencies | 2,049,418 | 2,354,555 |
| | 176,077,943 | 149,226,760 |

5. Loans and advances to customers (continued)

Loans portfolio by customer type:

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| State-owned enterprises | 1,256,281 | 1,343,195 |
| Limited liability companies | 77,733,817 | 55,020,221 |
| Joint stock companies in which the State's holding percentage is more than 50% | 3,594,802 | 3,001,502 |
| Other joint stock companies | 58,865,732 | 55,411,304 |
| Partnerships | - | 44,775 |
| Private companies | 112,657 | 179,560 |
| Foreign invested enterprises | 400,056 | 493,395 |
| Cooperatives, cooperative unions | 22,656 | 4,382 |
| Households and individuals | 34,084,482 | 33,725,951 |
| Others | 7,460 | 2,475 |
| | 176,077,943 | 149,226,760 |

6. Allowance for loans and advances to customers

Allowance for loans and advances to customers consists of:

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--------------------|---------------------------|---------------------------|
| General allowance | 1,304,725 | 1,106,290 |
| Specific allowance | 1,484,176 | 1,170,275 |
| | 2,788,901 | 2,276,565 |

Movements in general allowance were as follows:

| | 2023 VND million | 2022 VND million |
|--------------------------------|---------------------|---------------------|
| Opening balance | 1,106,290 | 926,062 |
| Allowance made during the year | 198,435 | 180,228 |
| Closing balance | 1,304,725 | 1,106,290 |

6. Allowance for loans and advances to customers (continued)

Movements in specific allowance were as follows:

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| Opening balance | 1,170,275 | 813,893 |
| Allowance made during the year | 969,176 | 835,043 |
| Utilisation of allowance during the year | (655,275) | (478,661) |
| Closing balance | 1,484,176 | 1,170,275 |

7. Investment securities

a. Available-for-sale securities

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---|---------------------------|---------------------------|
| Debt securities | | |
| In which: | | |
| - Bonds issued by the Government | 10,764,582 | 3,168,253 |
| - Bonds issued by other local CIs | 2,938,909 | 2,351,512 |
| - Bonds issued by local economic entities | 250,000 | 250,000 |
| - Certificates of deposit issued by other local CIs | - | 2,099,485 |
| | 13,953,491 | 7,869,250 |

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

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---------|---------------------------|---------------------------|
| Current | 250,000 | 250,000 |

b. Held-to-maturity securities

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| Bonds issued by local economics entities | 319,364 | 319,364 |
| | 319,364 | 319,364 |

7. Investment securities (continued)

c. Allowance for investment securities

| | 31/12/2023 | 31/12/2022 |
|---|--------------------|--------------------|
| | VND million | VND million |
| General allowance for available-for-sale securities | 1,875 | 1,875 |
| General allowance for held-to-maturity securities | 2,395 | 2,395 |
| | 4,270 | 4,270 |

8. Long-term investments

| | 31/12/2023 | 31/12/2022 |
|--|--------------------|--------------------|
| | VND million | VND million |
| Investment in subsidiaries (i) | 2,260,000 | 1,760,000 |
| Other long-term investments (ii) | 59,070 | 59,070 |
| Allowance for diminution in value of long-term investments (iii) | (540) | (1,119) |
| | 2,318,530 | 1,817,951 |

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

| | 31/12/2023 | | 31/12/2022 | |
|--|----------------------|--------------|----------------------|--------------|
| | Cost | Owned | Cost | Owned |
| | (VND million) | | (VND million) | |
| SeABank Asset Management Company Limited | 500,000 | 100% | 500,000 | 100% |
| Post and Telecommunication Finance | 1,760,000 | 100% | 1,260,000 | 100% |
| | 2,260,000 | | 1,760,000 | |

8. Long-term investments (continued)

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

| | 31/12/2023 | | 31/12/2022 | |
|---|-----------------------|-------|-----------------------|-------|
| | Cost (VND million) | Owned | Cost (VND million) | Owned |
| National Payment Corporation of Vietnam | 3,300 | 1.06% | 3,300 | 1.06% |
| PetroVietnam Oil Mien Trung Joint Stock Company | 4,800 | 1.59% | 4,800 | 1.59% |
| PetroVietnam Oil Saigon Joint Stock Company | 10,000 | 5.00% | 10,000 | 5.00% |
| PetroVietnam Oil Vung Tau Joint Stock Company | 10,000 | 8.33% | 10,000 | 8.33% |
| Phu My Oil Processing Joint Stock Company | 11,000 | 2.20% | 11,000 | 2.20% |
| PetroVietnam Oil Tay Ninh Joint Stock Company | 12,470 | 9.59% | 12,470 | 9.59% |
| PetroVietnam Oil Hanoi Joint Stock Company | 7,500 | 2.83% | 7,500 | 2.83% |
| | 59,070 | | 59,070 | |

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

| | 2023 VND million | 2022 VND million |
|------------------------------------|---------------------|---------------------|
| Opening balance | 1,119 | 1,443 |
| Reversed during the year (Note 27) | (579) | (324) |
| Closing balance | 540 | 1,119 |

9. Tangible fixed assets

Movements in tangible fixed assets during the year were as follows:

For the year ended 31 December 2023

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

9. Tangible fixed assets (continued)

For the year ended 31 December 2022

| | Buildings and structures VND million | Machines and equipment VND million | Vehicles VND million | Office equipment VND million | Other tangible fixed assets VND million | Total VND million |
|---------------------------------|--|--|-------------------------|------------------------------------|---|----------------------|
| Cost | | | | | | |
| Opening balance | 18,128 | 258,788 | 290,050 | 96,111 | 12,356 | 675,433 |
| Additions | 1,153 | 60,439 | 106,720 | 20,234 | 10,879 | 199,425 |
| Disposals | (206) | - | (1,108) | (502) | (885) | (2,701) |
| Closing balance | 19,075 | 319,227 | 395,662 | 115,843 | 22,350 | 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 | 1,801 | 60,059 |
| Disposals | (206) | - | (1,074) | (502) | (886) | (2,668) |
| Closing balance | 5,842 | 162,380 | 186,000 | 83,140 | 9,705 | 447,067 |
| Net book value | | | | | | |
| Opening balance | 13,047 | 115,923 | 131,109 | 22,112 | 3,566 | 285,757 |
| Closing balance | 13,233 | 156,847 | 209,662 | 32,703 | 12,645 | 425,090 |

Included in tangible fixed assets were assets costing VND84,917 million which were fully depreciated as of 31 December 2023 (31 December 2022: VND72,533 million), but still in active use.

10. Intangible fixed assets

Movements in tangible fixed assets during the year were as follows:

For the year ended 31 December 2023

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

For the year ended 31 December 2022

| | Land - use rights VND million | Computer software VND million | Other intangible fixed assets VND million | Total VND million |
|---------------------------------|-------------------------------------|-------------------------------------|---|----------------------|
| Cost | | | | |
| Opening balance | 377,995 | 371,505 | 8,156 | 757,656 |
| Additions | 6,378 | 86,144 | - | 92,522 |
| Disposals | - | (1,071) | - | (1,071) |
| Closing balance | 384,373 | 456,578 | 8,156 | 849,107 |
| Accumulated amortisation | | | | |
| Opening balance | - | 158,449 | 3,974 | 162,423 |
| Charge for the year | - | 31,165 | 688 | 31,853 |
| Disposals | - | (1,071) | - | (1,071) |
| Closing balance | - | 188,543 | 4,662 | 193,205 |
| Net book value | | | | |
| Opening balance | 377,995 | 213,056 | 4,182 | 595,233 |
| Closing balance | 384,373 | 268,035 | 3,494 | 655,902 |

Included in intangible fixed assets were assets costing VND45,535 million which were fully amortised as of 31 December 2023 (31 December 2022: VND33,859 million), but still in active use.

11. Other assets

| | 31/12/2023 | 31/12/2022 |
|---|--------------------|--------------------|
| | VND million | VND million |
| Receivables | 6,638,083 | 5,963,308 |
| Internal receivables | 439,452 | 932,829 |
| External receivables | 6,198,631 | 5,030,479 |
| Interest and fee receivables | 3,363,298 | 2,503,670 |
| Other assets | 2,056,959 | 1,376,226 |
| Allowance for other on-balance sheet assets (i) | (27,675) | (27,393) |
| | 12,030,665 | 9,815,811 |

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

| | 2023 | 2022 |
|---|--------------------|--------------------|
| | VND million | VND million |
| Opening balance | 27,393 | 28,057 |
| Allowance (reversed)/made during the year (Note 27) | 282 | (664) |
| Closing balance | 27,675 | 27,393 |

12. Amounts due to the Government and the SBV

| | 31/12/2023 | 31/12/2022 |
|---|--------------------|--------------------|
| | VND million | VND million |
| Discount, rediscount of valuable papers | 439,123 | 1,700,330 |
| Borrowings from the SBV | 2,099,514 | 2,138,366 |
| | 2,538,637 | 3,838,696 |

13. Deposits and borrowings from other credit institutions

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| Demand deposits from other credit institutions | 9,368,417 | 8,119,289 |
| - In VND | 9,368,409 | 8,119,281 |
| - In foreign currencies | 8 | 8 |
| Term deposits from other credit institutions | 39,332,900 | 37,036,170 |
| - In VND | 37,392,100 | 33,671,380 |
| - In foreign currencies | 1,940,800 | 3,364,790 |
| | 48,701,317 | 45,155,459 |
| Borrowings from other credit institutions | | |
| In VND | 5,563,887 | 6,033,185 |
| - <i>Borrowings on discounted and rediscounted valuable papers</i> | - | 1,646,841 |
| - <i>Other borrowings</i> | 5,563,887 | 4,386,344 |
| In foreign currencies | 14,087,352 | 9,420,677 |
| - <i>Borrowings on mortgages and pledges</i> | - | 82,355 |
| - <i>Other borrowings (i)</i> | 14,087,352 | 9,338,322 |
| | 19,651,239 | 15,453,862 |
| | 68,352,556 | 60,609,321 |

- (i) In which, the amount as at 31 December 2023 and 31 December 2022 includes a USD 75 million convertible debt from the International Finance Corporation ("IFC"). IFC may convert the debt into shares of the Bank during its term.

14. Mobilisation from customers

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| Demand deposits | 15,805,795 | 10,756,075 |
| - Demand deposits in VND | 15,094,862 | 10,023,071 |
| - Demand deposits in gold and foreign currencies | 710,933 | 733,004 |
| Term deposits | 128,512,764 | 103,958,144 |
| - Term deposits in VND | 128,059,843 | 103,137,487 |
| - Term deposits in gold and foreign currencies | 452,921 | 820,657 |
| Deposits for special purpose | 410,674 | 410,512 |
| Margin deposits | 495,828 | 426,048 |
| | 145,225,061 | 115,550,779 |

14. Mobilisation from customers (continued)

Deposits from customers by customer type was as follows:

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| State-owned enterprises | 15,467,735 | 13,712,535 |
| Limited liability companies | 8,891,904 | 8,070,459 |
| Joint stock companies in which the State's holding percentage is more than 50% | 3,818,036 | 8,141,264 |
| Other joint stock companies | 26,370,495 | 12,891,411 |
| Partnerships | 6,816 | 22,842 |
| Private companies | 116,808 | 344,397 |
| Foreign invested enterprises | 678,669 | 783,568 |
| Cooperatives, cooperative unions | 37,010 | 129,949 |
| Households and individuals | 89,077,488 | 70,742,334 |
| Others | 760,100 | 712,020 |
| | 145,225,061 | 115,550,779 |

15. Derivatives and other financial liabilities

| | Total contract value (at exchange rate as of contract effective date) VND million | Net book value (at exchange rate as of reporting date) | | |
|---------------------------------|--|--|----------------------------|--------------------------|
| | | Assets VND million | Liabilities VND million | Net value VND million |
| As at 31 December 2023 | 102,678,065 | 102,993,784 | 103,100,915 | (107,131) |
| Currency forward contracts | 34,926,220 | 34,975,086 | 34,966,354 | 8,732 |
| Interest rate forward contracts | 228,208 | 228,208 | 229,910 | (1,702) |
| Currency swap contracts | 63,785,077 | 64,051,930 | 64,168,611 | (116,681) |
| Interest rate swap contracts | 3,738,560 | 3,738,560 | 3,736,040 | 2,520 |
| As at 31 December 2022 | 115,730,290 | 115,915,372 | 115,930,335 | (14,963) |
| Currency forward contracts | 30,349,361 | 30,221,790 | 30,263,993 | (42,203) |
| Interest rate forward contracts | 597,258 | 606,463 | 597,258 | 9,205 |
| Currency swap contracts | 82,465,401 | 82,768,849 | 82,716,084 | 52,765 |
| Interest rate swap contracts | 2,318,270 | 2,318,270 | 2,353,000 | (34,730) |

16. Valuable papers issued

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---|---|
| Term bonds | | |
| - From 12 months up to less than 5 years | 4,199,000 | 10,899,000 |
| - From 5 years | 1,650,000 | 1,650,000 |
| Certificates of deposits | 10,997,100 | 8,955,600 |
| | 16,846,100 | 21,504,600 |

17. Other liabilities

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---|---|
| Internal payables | 7,259 | 11,357 |
| External payables | 4,599,794 | 4,331,737 |
| In which: | | |
| - <i>Accrued interest and fee payables</i> | 3,769,648 | 3,644,040 |
| - <i>Deferred income</i> | 328 | 517 |
| - <i>Taxes and others payable to State Treasury (Notes 31)</i> | 577,086 | 408,211 |
| - <i>Other payables</i> | 252,732 | 278,969 |
| Bonus and welfare funds | 144,982 | 66,308 |
| | 4,752,035 | 4,409,402 |

18. Owners' equity

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

For the year ended 31 December 2023

| | 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 2023 | 20,402,983 | 1,204,184 | 915,527 | 195,340 | 3,522,673 | 26,240,707 |
| Profit for the year | - | - | - | - | 3,709,921 | 3,709,921 |
| Capital increase from stock issuance under the Employee Stock Ownership Plan | 420,000 | 84,000 | - | - | - | 504,000 |
| Capital increase from stock issuance to existing shareholders | - | - | - | - | - | - |
| Capital increase from stock dividend payment | 2,952,000 | - | - | - | (2,952,000) | - |
| Capital increase from share premium | 1,182,017 | (1,182,017) | - | - | - | - |
| Capital increase from reserve to supplement charter capital | - | - | - | - | - | - |
| Appropriation to reserves | - | - | 370,992 | 185,496 | (556,488) | - |
| Appropriation to bonus and welfare funds | - | - | - | - | (116,000) | (116,000) |
| Other decreases | - | - | - | - | - | - |
| Balance at 31 December 2023 | 24,957,000 | 106,167 | 1,286,519 | 380,836 | 3,608,106 | 30,338,628 |

M

18. Owners' equity (continued)

For the year ended 31 December 2022

| | 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 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 |
| Capital increase from stock issuance under the Employee Stock Ownership Plan | 594,000 | 297,000 | - | - | - | 891,000 |
| Capital increase from stock issuance to existing shareholders | 1,813,116 | 906,557 | - | - | - | 2,719,673 |
| Capital increase from stock dividend payment | 2,113,988 | - | - | - | (2,113,988) | - |
| Capital increase from share premium | 809,996 | (809,996) | - | - | - | - |
| Capital increase from reserve to supplement charter capital | 286,999 | - | - | (286,999) | - | - |
| Appropriation to reserves | - | - | 389,450 | 194,724 | (584,174) | - |
| Appropriation to bonus and welfare funds | - | - | - | - | (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 |

18. Owners' equity (continued)

Share capital

| | 31/12/2023 | | 31/12/2022 | |
|-------------------------------------|--------------------|-------------|--------------------|-------------|
| | Number (shares) | VND million | Number (shares) | VND million |
| Issued share capital | | | | |
| Ordinary share | 2,495,700,000 | 24,957,000 | 2,040,298,268 | 20,402,983 |
| Number of outstanding shares | | | | |
| Ordinary share | 2,495,700,000 | 24,957,000 | 2,040,298,268 | 20,402,983 |

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.

19. Interest and similar income

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| Interest income from deposits | 1,494,874 | 861,090 |
| Interest income from loans | 16,776,171 | 12,682,880 |
| Interest income from investments in securities | 944,977 | 746,306 |
| Income from guarantee services | 105,059 | 102,285 |
| Other income from credit activities | 142,138 | 109,098 |
| | 19,463,219 | 14,501,659 |

20. Interest and similar expenses

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| Interest expenses for deposits | 9,798,109 | 6,533,384 |
| Interest expenses for borrowings | 1,558,062 | 556,747 |
| Interest expenses for valuable papers issued | 1,214,618 | 879,855 |
| Other expenses for credit activities | 104,584 | 119,920 |
| | 12,675,373 | 8,089,906 |

21. Net fee and commission income

| | 2023 VND million | 2022 VND million |
|--------------------------------------|---------------------|---------------------|
| Fee and commission income | 1,335,314 | 1,468,636 |
| - Settlement and cash services | 893,512 | 325,607 |
| - Treasury services | 3,718 | 6,971 |
| - Insurance agency services | 144,741 | 533,564 |
| - Other services | 293,343 | 602,494 |
| Fee and commission expenses | 205,931 | 227,637 |
| - Settlement and cash services | 89,644 | 81,601 |
| - Treasury services | 19,372 | 21,384 |
| - Other services | 96,915 | 124,652 |
| Net fee and commission income | 1,129,383 | 1,240,999 |

22. Net gain from trading of foreign currencies

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| Income from trading of foreign currencies | 2,836,194 | 2,354,891 |
| - Income from spot foreign currency trading | 1,438,780 | 1,399,358 |
| - Income from trading of gold | 2,337 | 4,774 |
| - Income from currency derivatives | 1,395,077 | 950,759 |
| Expenses for trading of foreign currencies | 2,233,724 | 2,131,005 |
| - Expenses for spot foreign currency trading | 51,608 | 38,655 |
| - Expenses for trading of gold | 5 | 5,179 |
| - Expenses for currency derivatives | 2,182,111 | 2,087,171 |
| Net gain from trading of foreign currencies | 602,470 | 223,886 |

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

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| Gain from securities held-for-trading | 580,265 | 371,161 |
| Loss from securities held-for-trading | (471,085) | (154,429) |
| Allowance reversed for securities held-for-trading | - | 11,379 |
| Net gain from securities held-for-trading | 109,180 | 228,111 |

24. Net gain/(loss) from investment securities

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| Gain from investment securities | 364,808 | 813,819 |
| Loss from investment securities | (156,728) | (216,155) |
| Allowance reversed for investment securities | - | 39,056 |
| Net gain from investment securities | 208,080 | 636,720 |

25. Net other income

| | 2023 VND million | 2022 VND million |
|---|---------------------|---------------------|
| Income from other activities | 330,383 | 405,362 |
| - Income from other derivatives | 234,650 | 295,649 |
| - Income from other activities | 95,733 | 109,713 |
| Expenses for other activities | 140,905 | 215,710 |
| - Expenses for other derivatives | 128,654 | 201,012 |
| - Expenses for other activities | 12,251 | 14,698 |
| Net income from other activities | 189,478 | 189,652 |

26. Income from long-term investments

| | 2023 VND million | 2022 VND million |
|---|---------------------|---------------------|
| Dividends received from long-term investments | 14,358 | 7,893 |
| Profit distributed from the subsidiary | 29,649 | - |
| | 44,007 | 7,893 |

27. Operating expenses

| | 2023 VND million | 2022 VND million |
|---|---------------------|---------------------|
| Tax, duties and fees | 39,542 | 34,698 |
| Staff costs | 1,749,878 | 1,674,361 |
| <i>In which:</i> | | |
| - Salary and allowances | 1,613,820 | 1,542,139 |
| - Salary based contribution | 107,020 | 84,490 |
| - Allowances | 177 | 166 |
| - Others | 28,861 | 47,566 |
| Expenses on assets | 658,088 | 555,383 |
| - Depreciation and amortisation of fixed assets | 125,398 | 91,912 |
| - Others | 532,690 | 463,471 |
| Administrative expenses | 515,105 | 509,718 |
| - Per diems | 35,941 | 25,790 |
| - Printing materials and papers | 38,606 | 41,496 |
| - Postage and telephone expenses | 32,763 | 36,530 |
| - Others | 407,795 | 405,902 |
| Insurance fee for customers' deposits | 117,411 | 100,038 |
| Other expenses | 196,172 | 183,878 |
| Allowance made/(reversed) for diminution in value of long-term investments (Note 8) | (579) | (324) |
| Allowance made/(reversed) for other on-balance sheet assets (Note 11) | 282 | (664) |
| | 3,275,899 | 3,057,088 |

28. Corporate income tax

| | 2023 VND million | 2022 VND million |
|---|---------------------|---------------------|
| Accounting profit before tax | 4,626,934 | 4,866,655 |
| <i>Adjustments for:</i> | | |
| - Dividend income and other tax-exempted income | (44,007) | (7,893) |
| - Non-deductible expenses | 2,138 | 2,084 |
| Taxable profit | 4,585,065 | 4,860,846 |
| Corporate income tax rate | 20% | 20% |
| Calculated corporate income tax expense | 917,013 | 972,169 |
| | 917,013 | 972,169 |

29. Cash and cash equivalents

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| Cash and gold | 851,268 | 1,037,776 |
| Balances with the SBV | 2,784,593 | 9,280,904 |
| Current accounts at other CIs | 8,462,374 | 7,711,185 |
| Term deposits at other CIs with terms not exceeding three months | 41,645,650 | 37,276,280 |
| | 53,743,885 | 55,306,145 |

30. Employee benefits

| | 2023 VND million | 2022 VND million |
|--|---------------------|---------------------|
| I. Average number of employees (person) | 5,158 | 4,850 |
| II. Employees' income | | |
| 1. Total salary | 1,613,820 | 1,542,139 |
| 2. Bonus | 25,449 | 27,785 |
| 3. Total income (1+2) | 1,639,269 | 1,569,924 |
| 4. Average monthly income | 26.49 | 26.97 |

31. Obligations to the State Treasury

For the year ended 31 December 2023

| Items | 01/01/2023 (VND million) | Movement during the year | | 31/12/2023 (VND million) |
|----------------------|-----------------------------|--------------------------|-----------------------|-----------------------------|
| | | Payable (VND million) | Paid (VND million) | |
| Value added tax | 11,653 | 78,884 | 68,614 | 21,923 |
| Corporate income tax | 389,310 | 917,013 | 760,130 | 546,193 |
| Personal income tax | 7,248 | 146,569 | 144,847 | 8,970 |
| Other taxes | - | 59,197 | 59,197 | - |
| | 408,211 | 1,201,663 | 1,032,788 | 577,086 |

31. Obligations to the State Treasury (continued)

For the year ended 31 December 2022

| Items | 01/01/2022 (VND million) | Movement during the year | | 31/12/2022 (VND million) |
|----------------------|-----------------------------|--------------------------|-----------------------|-----------------------------|
| | | Payable (VND million) | Paid (VND million) | |
| 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 | - |
| | 297,806 | 1,265,905 | 1,155,500 | 408,211 |

32. Concentration of assets, liabilities and off-balance sheet items by geographical region

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

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

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

| | Total loans | Total deposits | Contingent credit commitments | Derivatives and other financial liabilities (net) | Securities held-for-trading and investment securities |
|----------|--------------------|--------------------|-------------------------------|---|---|
| | VND million | VND million | VND million | VND million | VND million |
| Domestic | 152,465,849 | 160,690,149 | 11,602,633 | 14,963 | 13,595,699 |
| Overseas | 366,856 | 16,089 | - | - | - |
| | 152,832,705 | 160,706,238 | 11,602,633 | 14,963 | 13,595,699 |

33. Significant transactions and balances with related parties

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

| <i>Related parties</i> | <i>Relationship</i> |
|--|-----------------------|
| 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 |
| Vietnam Engine and Agricultural Machinery Corporation and its subsidiaries | Common members of BOD |
| Vietnam Aircraft Leasing Joint Stock Company | Common members of BOD |
| North Hanoi Smart City Development Investment Joint Stock Company | Common members of BOD |

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

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| <i>SeABank Asset Management Company Limited</i> | | |
| Capital contribution from the Bank | 500,000 | 500,000 |
| Demand deposits at the Bank | 11,202 | 761 |
| Term deposits at the Bank | 374,000 | 3,000 |
| Other payables to the Bank | 11,164 | 8,795 |
| Other receivables from the Bank | 26,215 | 19 |
| Borrowings from the Bank | 274,352 | - |
| <i>Post and Telecommunication Finance Company Limited</i> | | |
| Capital contribution from the Bank | 1,760,000 | 1,260,000 |
| Demand deposits at the Bank | 1,654,518 | 889,694 |
| Term deposits from the Bank | 4,300,000 | 3,525,000 |
| Certificates of deposit owed by the Bank | - | 1,420,000 |
| Other payables to the Bank | 7,718 | 509,556 |
| <i>Thang Long GTC Joint Stock Company</i> | | |
| Demand deposits at the Bank | 10,146 | 9,182 |
| Term deposits at the Bank | 407,900 | 314,900 |
| <i>BRG Group Joint Stock Company ("BRG") and its subsidiaries</i> | | |
| Demand deposits at the Bank | 143,156 | 345,320 |
| Term deposits at the Bank | 731,524 | 268,094 |
| Borrowings from the Bank | - | 302 |
| Guarantees at the Bank | 1,369 | 942,967 |

33. Significant transactions and balances with related parties (continued)

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---|---------------------------|---------------------------|
| <i>Vietnam Engine and Agricultural Machinery Corporation and its subsidiaries</i> | | |
| Demand deposits at the Bank | 107 | 11,518 |
| Term deposits at the Bank | 2,623,173 | 1,470,631 |
| Guarantees at the Bank | 194 | 582 |
| <i>Vietnam Aircraft Leasing Joint Stock Company</i> | | |
| Demand deposits at the Bank | 7 | 7 |
| Term deposits at the Bank | 366,500 | 149,951 |
| <i>North Hanoi Smart City Development Investment Joint Stock Company</i> | | |
| Demand deposits at the Bank | 396,627 | 84,865 |
| Term deposits at the Bank | 12,530,000 | 2,350,000 |

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

| | 2023 VND million | 2022 VND million |
|---|---------------------|---------------------|
| <i>SeABank Asset Management Company Limited</i> | | |
| Office rental expenses | 5,068 | 4,267 |
| Interest expenses on deposits | 27,309 | 870 |
| Income from capital contribution | 29,649 | - |
| Interest income from loans | 644 | |
| <i>Post and Telecommunication Finance Company Limited</i> | | |
| Interest expenses on deposits | 292 | 263 |
| Interest income from of deposit certificates | 104,683 | 37,896 |
| Interest income from deposits | 121,699 | 91,022 |
| <i>Thang Long GTC Joint Stock Company</i> | | |
| Interest expenses for deposits | 21,376 | 17,703 |
| Fee income from guarantees | 7 | - |
| <i>BRG Group Joint Stock Company ("BRG") and its subsidiaries</i> | | |
| Interest expenses for deposits | 23,929 | 15,539 |
| Fee income from guarantees | 9,110 | 11,641 |

33. Significant transactions and balances with related parties (continued)

| | 2023 VND million | 2022 VND million |
|---|---------------------|---------------------|
| <i>Vietnam Engine and Agricultural Machinery Corporation and its subsidiaries</i> | | |
| Interest expenses for deposits | 194,371 | 105,525 |
| Interest income from loans | - | 51 |
| Fee income from guarantees | 4 | 10 |
| <i>Vietnam Aircraft Leasing Joint Stock Company</i> | | |
| Interest expenses for deposits | 16,629 | 4,320 |
| <i>North Hanoi Smart City Development Investment Joint Stock Company</i> | | |
| Interest expenses for deposits | 153,742 | 82,472 |

34. Off-balance sheet items

a. Contingent liabilities and commitments issued

| | 31/12/2023 VND million | | | 31/12/2022 VND million | | |
|---|---------------------------------|--------------------|----------------------------|---------------------------------|--------------------|----------------------------|
| | Contractual value - gross | Margin deposits | Contractual value - net | Contractual value - gross | Margin deposits | Contractual value - net |
| Foreign exchange commitments | 64,350,068 | - | 64,350,068 | 89,722,996 | - | 89,722,996 |
| - Foreign currency purchase commitments | 8,707 | - | 8,707 | 705,900 | - | 705,900 |
| - Foreign currency sale commitments | 8,693 | - | 8,693 | 705,900 | - | 705,900 |
| - Currency swap commitments | 64,332,668 | - | 64,332,668 | 88,311,196 | - | 88,311,196 |
| Letters of credit | 6,662,109 | (59,346) | 6,602,763 | 5,518,179 | (24,492) | 5,493,687 |
| Other guarantees | 5,515,126 | (303,095) | 5,212,031 | 6,389,232 | (280,286) | 6,108,946 |
| Interest rate swaps | 7,974,600 | - | 7,974,600 | 7,759,570 | - | 7,759,570 |

b. Uncollected loan interest and fees

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---------------------------------|---------------------------|---------------------------|
| Loan interest not yet collected | 2,146,059 | 1,642,443 |
| Fees not yet collected | 37 | - |
| | 2,146,096 | 1,642,443 |

c. Written-off bad debts

| | 31/12/2023 VND million | 31/12/2022 VND million |
|---|---------------------------|---------------------------|
| Principle balance of bad debts written-off under monitoring | 4,950,956 | 4,731,933 |
| | 4,950,956 | 4,731,933 |

d. Other assets and documents in custody

| | 31/12/2023 VND million | 31/12/2022 VND million |
|--|---------------------------|---------------------------|
| Precious metals and gemstones kept under custody | 89,694 | 125,751 |
| Leased assets | 1,399,638 | 1,408,430 |
| | 1,489,332 | 1,534,181 |

V. Financial risk management

This note provides information of SeABank'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 market risk, credit risk, liquidity risk.

1. Interest rate risk

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

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

| As of 31 December 2023 (VND million) | Non - sensitive to interest rate | Overdue | Under 1 month | From over 1 month to 3 months | From over 3 months to 6 months | From over 6 months to 12 months | From over 1 year to 5 years | Over 5 years | Total |
|---|--|------------------|-------------------|-------------------------------------|--------------------------------------|---------------------------------------|-----------------------------------|------------------|--------------------|
| Assets | | | | | | | | | |
| Cash and gold | 851,268 | - | - | - | - | - | - | - | 851,268 |
| Balances with the SBV | 2,784,593 | - | - | - | - | - | - | - | 2,784,593 |
| Balances with and loans to other CIs - gross | 25,106,394 | - | 21,896,630 | 3,105,000 | - | 2,890,550 | - | - | 52,998,574 |
| Securities held-for-trading - gross | - | - | 8,353,236 | - | - | - | - | - | 8,353,236 |
| Loans and advances to customers - gross | - | 4,715,871 | 45,003,609 | 68,881,181 | 39,474,332 | 14,497,087 | 3,404,606 | 101,257 | 176,077,943 |
| Investment securities - gross | - | - | 42,002 | 569,364 | 311,002 | 9,996 | 6,153,449 | 7,187,042 | 14,272,855 |
| Long-term investments - gross | 2,319,070 | - | - | - | - | - | - | - | 2,319,070 |
| Fixed assets and investment property | 1,265,655 | - | - | - | - | - | - | - | 1,265,655 |
| Other assets - gross | 12,058,340 | - | - | - | - | - | - | - | 12,058,340 |
| Total assets | 44,385,320 | 4,715,871 | 75,295,477 | 72,555,545 | 39,785,334 | 17,397,633 | 9,558,055 | 7,288,299 | 270,981,534 |
| Liabilities | | | | | | | | | |
| Amounts due to the Government and the SBV | - | - | 439,123 | 28,361 | 68,086 | 2,003,067 | - | - | 2,538,637 |
| Deposits and borrowings from other CIs | 25,758,417 | - | 21,159,449 | 3,338,524 | 1,150,304 | 3,966,762 | 8,127,100 | 4,852,000 | 68,352,556 |
| Deposits from customers | - | - | 43,630,671 | 27,662,404 | 46,867,682 | 23,332,382 | 3,731,635 | 287 | 145,225,061 |
| Derivative and other financial liabilities | 107,948 | - | 1,323 | 33 | 347 | - | (2,520) | - | 107,131 |
| Valuable papers issued | - | - | - | 2,610,200 | 1,960,400 | 9,624,300 | 2,651,200 | - | 16,846,100 |
| Other liabilities | 4,752,035 | - | - | - | - | - | - | - | 4,752,035 |
| Total liabilities | 30,618,400 | - | 65,230,566 | 33,639,522 | 50,046,819 | 38,926,511 | 14,507,415 | 4,852,287 | 237,821,520 |
| Interest sensitivity gap on -balance sheet | 13,766,920 | 4,715,871 | 10,064,911 | 38,916,023 | (10,261,485) | (21,528,878) | (4,949,360) | 2,436,012 | 33,160,014 |
| Interest sensitivity gap off -balance sheet | - | - | - | - | - | - | 2,520 | - | 2,520 |
| Interest sensitivity gap on and off- balance sheet | 13,766,920 | 4,715,871 | 10,064,911 | 38,916,023 | (10,261,485) | (21,528,878) | (4,946,840) | 2,436,012 | 33,162,534 |

| As of 31 December 2022 (VND million) | Non - sensitive to interest rate | Overdue | Under 1 month | From over 1 month to 3 months | From over 3 months to 6 months | From over 6 months to 12 months | From over 1 year to 5 years | Over 5 years | Total |
|---|--|------------------|-------------------|-------------------------------------|--------------------------------------|---------------------------------------|-----------------------------------|------------------|--------------------|
| Assets | | | | | | | | | |
| Cash and gold | 1,037,776 | - | - | - | - | - | - | - | 1,037,776 |
| Balances with the SBV | 9,280,904 | - | - | - | - | - | - | - | 9,280,904 |
| Balances with and loans to other CIs - gross | 7,711,185 | - | 23,667,000 | 13,915,225 | 150,000 | 3,150,000 | - | - | 48,593,410 |
| Securities held-for-trading | - | - | 5,407,085 | - | - | - | - | - | 5,407,085 |
| Loans and advances 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 and investment property | 1,080,992 | - | - | - | - | - | - | - | 1,080,992 |
| Other assets - gross | 9,843,204 | - | - | - | - | - | - | - | 9,843,204 |
| Total assets | 30,773,131 | 2,567,814 | 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 |
| Derivative 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 on -balance sheet | 18,229,476 | 2,567,814 | 4,890,851 | 31,209,747 | (5,303,974) | (1,673,289) | (22,180,790) | 810,219 | 28,550,054 |
| Interest sensitivity gap off -balance sheet | - | - | - | - | - | (34,730) | - | - | (34,730) |
| Interest sensitivity gap on and off- balance sheet | 18,229,476 | 2,567,814 | 4,890,851 | 31,209,747 | (5,303,974) | (1,708,019) | (22,180,790) | 810,219 | 28,515,324 |

2. Currency risk

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

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

The following table presents currency status of SeABank's assets and liabilities as at 31 December 2023 and 31 December 2022:

| As of 31 December 2023 | In VND million equivalent | | | Total (VND million) |
|---|---------------------------|-------------------|---------------------|------------------------|
| | EUR | USD | Other currencies | |
| Assets | | | | |
| Cash and gold | 34,270 | 99,569 | 33,653 | 167,492 |
| Balances with the SBV | - | 334,101 | - | 334,101 |
| Balances with and loans to other CIs - gross | 12,940 | 11,466,632 | 88,464 | 11,568,036 |
| Derivatives and other financial assets | - | 3,460,806 | (25,741) | 3,435,065 |
| Loans and advances to customers - gross | - | 2,049,418 | - | 2,049,418 |
| Other assets - gross | 405 | 434,420 | 701 | 435,526 |
| Total assets | 47,615 | 17,844,946 | 97,077 | 17,989,638 |
| Liabilities | | | | |
| Deposits and borrowings from other CIs | - | 16,027,459 | 701 | 16,028,160 |
| Deposits from customers | 47,406 | 1,453,957 | 34,081 | 1,535,444 |
| Other liabilities | 579 | 403,821 | 13,099 | 417,499 |
| Total liabilities | 47,985 | 17,885,237 | 47,881 | 17,981,103 |
| FX position on-balance sheet | (370) | (40,291) | 49,196 | 8,535 |
| FX position off-balance sheet | 5,395 | (8,693) | 3,312 | 14 |
| Total FX position on and off-balance sheet | 5,025 | (48,984) | 52,508 | 8,549 |

2. Currency risk (continued)

As of 31 December 2022

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

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

| | Exchange rate as at | |
|-----|---------------------|-------------------|
| | 31/12/2023 VND | 31/12/2022 VND |
| AUD | 16,561 | 16,068 |
| CAD | 18,359 | 17,452 |
| CHF | 28,844 | 25,450 |
| EUR | 26,974 | 25,284 |
| GBP | 31,005 | 28,582 |
| HKD | 3,106 | 3,018 |
| JPY | 171.6 | 179.0 |
| KRW | 19.05 | 18.81 |
| SGD | 18,410 | 17,617 |
| THB | 706 | 681 |
| CNY | 2,994 | 2,994 |
| USD | 24,260 | 23,530 |
| XAU | 7,395,000 | 6,615,000 |

3. Liquidity risk

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

The following table shows the analysis of assets and liabilities of the Bank according to their maturities as at 31 December 2023 and 31 December 2022:

57

| As of 31 December 2022 (VND million) | Overdue | | Current | | Total | |
|--|----------------|--------------------|--------------------|-------------------------------|-----------------------------|-------------------|
| | Up to 3 months | More than 3 months | Up to 1 month | From over 1 month to 3 months | From over 1 year to 5 years | Over 5 years |
| Assets | | | | | | |
| Cash and gold | - | - | 1,037,776 | - | - | 1,037,776 |
| Balances with the SBV | - | - | 9,280,904 | - | - | 9,280,904 |
| Balances with and loans to other CIs - gross | - | - | 31,378,185 | 13,915,225 | - | 48,593,410 |
| Securities held for trading - gross | - | - | 5,407,085 | - | - | 5,407,085 |
| Loans and advances to customers - gross | 290,480 | 2,277,334 | 10,077,874 | 15,808,900 | 33,797,222 | 15,272,026 |
| Investment securities - gross | - | - | - | 699,485 | 2,119,823 | 4,136,819 |
| Long-term investments - gross | - | - | - | - | - | 1,819,070 |
| Fixed assets and investment property | - | - | - | - | - | 1,080,992 |
| Other assets - gross | - | - | 1,048,860 | 1,776,795 | 855,817 | 1,112,928 |
| Total assets | 290,480 | 2,277,334 | 58,230,684 | 32,200,405 | 35,885,526 | 23,421,835 |
| Liabilities | | | | | | |
| Amounts due to the Government and the SBV | - | - | 1,700,330 | 53,201 | - | - |
| Deposits and borrowings from other CIs | - | - | 33,935,152 | 13,816,634 | 4,033,785 | 2,353,000 |
| Deposits from customers | - | - | 29,723,855 | 21,353,798 | 57,449,579 | 19 |
| Derivative and other financial liabilities | - | - | (342,057) | 46,016 | - | - |
| Valuable papers issued | - | - | - | - | 6,000,000 | - |
| Other liabilities | - | - | 758,356 | 877,395 | 2,329,302 | 56,930 |
| Total liabilities | - | - | 65,775,636 | 36,147,044 | 29,386,297 | 2,409,949 |
| Net liquidity gap | 290,480 | 2,277,334 | (7,544,952) | (3,946,639) | 6,499,229 | 21,011,886 |
| | | | | | | 28,550,054 |

VI. Approve the separate financial statements

The separate financial statements of Quarter IV of 2023 and for the year ended 31 December 2023 are approved by the Board of Management on 30 January 2024.

30 January 2024

 **Preparer**



Nghiem Thi Thu Nga

Chief Accountant



Nguyen Thi Hoai Phuong



Nguyen Thi Thu Huong



