

Southeast Asia Commercial Joint Stock Bank

Consolidated Financial Statements
for the year ended 31 December 2023



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

The Board of Management of Southeast Asia Commercial Joint Stock Bank presents this statement and the accompanying consolidated financial statements of the Bank and its subsidiaries (collectively referred to as “SeABank”) for the year ended 31 December 2023.

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

- (a) the consolidated financial statements set out on pages 4 to 74 give a true and fair view of the consolidated financial position of SeABank as at 31 December 2023 and their consolidated results of operations and their consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons for the Board of Management to believe that the Bank or its subsidiaries will not be able to pay their debts as and when they fall due.

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

On behalf of the Board of Management 



Nguyen Thi Thu Huong
Deputy General Director

Hanoi, 15 March 2024



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INDEPENDENT AUDITOR'S REPORT

To the Shareholders Southeast Asia Commercial Joint Stock Bank

We have audited the accompanying consolidated financial statements of Southeast Asia Commercial Joint Stock Bank ("the Bank") and its subsidiaries (collectively referred to as "SeABank"), which comprise the consolidated statement of financial position as at 31 December 2023, the consolidated statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 15 March 2024, as set out on pages 4 to 74.

Management's Responsibility

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

Auditor's Responsibility

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

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

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



Auditor's Opinion

In our opinion, the consolidated financial statements give a true and fair view, in all material respects, of the consolidated financial position of Southeast Asia Commercial Joint Stock Bank and its subsidiaries as at 31 December 2023 and of their consolidated results of operations and consolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting.

KPMG Limited

Vietnam

Audit Report No. 23-02-00174-24-4



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

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

Hanoi, 15 March 2024

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

No.	Items	Note	31/12/2023 VND million	31/12/2022 VND million
A	ASSETS			
I	Cash and gold on hand	V.1	851,299	1,037,807
II	Balances with the State Bank of Vietnam ("SBV")	V.2	2,799,895	9,826,851
III	Balances with and loans to other credit institutions ("CIs")	V.3	48,698,574	45,068,410
1	Balances with other CIs		45,808,024	41,462,465
2	Loans to other CIs		2,890,550	3,605,945
IV	Held-for-trading securities	V.4	8,353,236	3,987,085
1	Held-for-trading securities		8,353,236	3,987,085
VI	Loans and advances to customers		176,773,874	151,522,983
1	Loans and advances to customers	V.5	179,751,893	153,955,992
2	Allowance for loans and advances to customers	V.6	(2,978,019)	(2,433,009)
VIII	Investment securities		14,286,766	8,646,945
1	Available-for-sale securities	V.7a	14,035,545	7,951,304
2	Held-to-maturity securities	V.7b	350,458	715,458
3	Allowance for investment securities	V.7c	(99,237)	(19,817)
IX	Long-term investments	V.8	61,892	61,313
4	Other long-term investments		62,432	62,432
5	Allowance for diminution in value of long-term investments		(540)	(1,119)
X	Fixed assets		1,269,298	1,085,692
1	Tangible fixed assets	V.9	551,265	427,189
	- Cost		1,082,873	877,679
	- Accumulated depreciation		(531,608)	(450,490)
3	Intangible fixed assets	V.10	718,033	658,503
	- Cost		955,941	854,399
	- Accumulated amortisation		(237,908)	(195,896)
XI	Investment property	V.11	56,584	58,047
	- Cost		64,177	64,466
	- Accumulated depreciation		(7,593)	(6,419)
XII	Other assets	V.12	12,970,497	10,127,923
1	Receivables		7,092,858	5,490,462
2	Accrued interest and fee receivables		3,318,857	2,594,093
4	Other assets		2,588,785	2,083,798
	- In which: Goodwill	V.13	338,226	409,431
5	Allowance for other on-balance sheet assets		(30,003)	(40,430)
	TOTAL ASSETS		266,121,915	231,423,056

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2023

No.	Items	Note	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.14	2,538,637	3,838,696
II	Deposits and borrowings from other CIs	V.15	66,698,038	59,719,627
1	Deposits from other CIs		47,046,799	44,265,765
2	Borrowings from other CIs		19,651,239	15,453,862
III	Deposits from customers	V.16	144,840,006	115,547,271
IV	Derivative and other financial liabilities	V.17	107,131	14,963
V	Other borrowed and entrusted funds		1,020	1,020
VI	Valuable papers issued	V.18	16,846,100	21,504,600
VII	Other liabilities	V.19	4,794,144	4,564,659
1	Accrued interest and fee payables		3,743,466	3,699,830
3	Other liabilities		1,050,678	864,829
	TOTAL LIABILITIES		235,825,076	205,190,836
VIII	Owners' equity	V.20	30,296,839	26,232,220
1	Capital		25,063,167	21,607,167
a	- Charter capital		24,957,000	20,402,983
c	- Share premium		106,167	1,204,184
2	Reserves		1,715,339	1,155,967
5	Retained earnings		3,518,333	3,469,086
	TOTAL OWNERS' EQUITY		30,296,839	26,232,220
	TOTAL LIABILITIES AND OWNERS' EQUITY		266,121,915	231,423,056

CONSOLIDATED STATEMENT OF FINANCIAL POSITION (continued)

As at 31 December 2023

No.	Items	Note	31/12/2023 VND million	31/12/2022 VND million
	OFF-BALANCE SHEET ITEMS	V.39		
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>Currency swaps commitments</i>		64,332,668	88,311,196
4	Letters of credit		6,602,763	5,493,687
5	Other guarantees (warranty guarantee, performance guarantee, advance guarantee)		5,212,031	6,109,202
6	Interest rate swaps		7,974,600	7,759,570
7	Uncollected loan interest and fees		3,674,843	2,021,913
8	Written-off bad debts		5,012,050	4,783,138
9	Other items and documents		1,489,332	1,534,181

15 March 2024

Prepared by:



Nghiem Thi Thu Nga

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

CONSOLIDATED STATEMENT OF INCOME

For the year ended 31 December 2023

No.	Items	Notes	2023 VND million	2022 VND million
1.	Interest and similar income	V.22	19,718,490	15,149,800
2.	Interest and similar expenses	V.23	(12,647,771)	(8,143,873)
I.	Net interest income		7,070,719	7,005,927
3.	Fee and commission income		1,530,991	1,642,698
4.	Fee and commission expenses		(223,134)	(275,381)
II.	Net fee and commission income	V.24	1,307,857	1,367,317
III.	Net gain from trading of foreign currencies	V.25	602,470	223,886
IV.	Net gain from held-for-trading securities	V.26	109,180	228,111
V.	Net gain from investment securities	V.27	128,660	621,173
5.	Other income		332,345	415,516
6.	Other expenses		(141,624)	(222,620)
VI.	Net other income	V.28	190,721	192,896
VII.	Gains from capital contribution, share purchase	V.29	14,384	7,937
VIII.	Operating expenses	V.30	(3,607,148)	(3,403,523)
IX.	Net operating profit before allowance expenses for credit losses		5,816,843	6,243,724
X.	Allowance expenses for credit losses		(1,200,285)	(1,174,738)
XI.	Profit before tax		4,616,558	5,068,986
7	Corporate income tax expenses – current		(939,603)	(1,016,058)
XII.	Income tax expense	V.31	(939,603)	(1,016,058)
XIII.	Net profit after tax		3,676,955	4,052,928
XIV.	Non-controlling interest		-	-
XV.	Basic earnings per share (VND/share)	V.32	1,453	(restated) 1,568

Prepared by:



Nghiem Thi Thu Nga

15 March 2024

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

CONSOLIDATED STATEMENT OF CASH FLOWS

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	18,993,726	14,235,298
02. Interest and similar expenses paid	(12,604,135)	(7,392,022)
03. Net fees and commission income received	1,306,486	1,366,943
04. Net receipts from foreign currencies and securities trading	919,730	1,038,282
05. Other income	107,608	99,133
06. Proceeds from bad debts previously written off	83,083	93,796
07. Payments for personnel and operating expenses	(3,479,815)	(3,310,317)
08. Corporate income tax paid during the year	(794,401)	(877,938)
	4,532,282	5,253,175
Cash flows from operating activities before changes in operating assets and liabilities		
<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 held-for-trading securities	(10,085,392)	17,303,270
11. Changes in derivatives and other financial assets	92,168	(32,841)
12. Changes in loans and advances to customers	(25,795,901)	(26,367,833)
13. Utilisation of allowance for credit losses	(655,275)	(523,346)
14. Changes in other operating assets	(2,122,044)	(2,778,762)
<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	6,978,411	1,353,629
17. Changes in deposits from customers	29,292,735	5,762,634
18. Changes in valuable papers issued	(4,658,500)	2,451,400
20. Changes in other operating liabilities	(75,353)	26,758
I. Net cash flows from operating activities	(3,081,533)	7,865,057

CONSOLIDATED STATEMENT OF CASH FLOWS (continued)

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)	(296,243)
02. Receipts from sales, disposal of fixed assets	29	-
04. Purchase of investment property	-	(27)
05. Receipts from sales, disposals of investment property	5,276	6,744
08. Collections from investments in other entities	-	24,102
09. Dividends and profit received from long-term investments	14,384	7,937
II. Net cash flows from investing activities	(290,372)	(257,487)
CASH FLOWS FROM FINANCING ACTIVITIES		
01. Proceeds from issuing shares	504,000	3,610,673
III. Net cash flows from financing activities	504,000	3,610,673
IV. Net cash flows during the year	(2,867,905)	11,218,243
V. Cash and cash equivalents at the beginning of the year	52,327,123	41,108,880
VII. Cash and cash equivalents at the end of the year (Note V.33)	49,459,218	52,327,123

15 March 2024

Prepared by:



Nghiem Thi Thu Nga

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

For the year ended 31 December 2023

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

I. Bank 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 dated 14 January 2005	
		Business Registration Certificate has been amended several times, the most recent of which is the 37 th amendment dated 8 August 2023 issued by Hanoi Department of Planning and Investment.
Board of Directors	Mr. Le Van Tan Ms. Nguyen Thi Nga Ms. Le Thu Thuy Ms. Khuc Thi Quynh Lam Ms. Ngo Thi Nhai Mr. Mathew Nevil Welch Mr. Fergus Macdonald Clark Mr. Hoang Minh Tan Mr. Bui Trung Kien	Chairman Standing Vice Chairwoman Vice Chairwoman (from 28 April 2023) Vice Chairwoman, Full-time Board Member (until 27 April 2023) Vice Chairwoman Member (from 28 April 2023) Independent Member (until 27 April 2023) Member (from 28 April 2023) Independent Member (until 27 April 2023) Independent Member (from 28 April 2023) Member (until 27 April 2023) Member (until 27 April 2023)
Board of Management	Mr. Le Quoc Long Mr. Faussier Loic Michel Marc Ms. Nguyen Thi Thu Huong Mr. Nguyen Tuan Cuong Mr. Vu Dinh Khoan Ms. Dang Thu Trang Mr. Nguyen Hong Quang Mr. Nguyen Tuan Anh	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) General Director (until 31 July 2023) Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director Deputy General Director (from 23 February 2024) Deputy General Director (from 24 February 2024)

Board of Management (continue)	Mr. Hoang Manh Phu	Deputy General Director (until 16 April 2024)
	Ms. Tran Thi Thanh Thuy	Deputy General Director (until 16 April 2024)
	Mr. Nguyen Ngoc Quynh	Deputy General Director (until 22 February 2024)
	Mr. Vo Long Nhi	Deputy General Director (until 23 February 2024)
Legal Representative	Mr. Le Van Tan	Chairman
Registered office	No. 198 Tran Quang Khai, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam.	
Auditors	KPMG Limited Vietnam	

II. Operating characteristics of the credit institution

1. Establishment and operation

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

The 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 VND24,957,000 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 Street, 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 (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).

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 most recent amendment was on 15 August 2023.	Debt and asset management	100%
Post and Telecommunication Finance Company Limited	96/GP-NHNN dated 28 September 2018 and amended under Decision No.50/QD-NHNN dated 9 January 2023 of the Governor of the State Bank of Vietnam.	Consumer finance	100%

The consolidated financial statements comprises of the Bank and its subsidiaries (collectively referred to as “SeABank”).

4. Total number of employees

As at 31 December 2023, SeABank had 5,508 employees (as at 31 December 2022, SeABank had 5,648 employees).

III. Basis of preparation

1. Statement of compliance

The consolidated 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 consolidated financial statements are not intended to present SeABank’s consolidated financial position, consolidated results of operations and consolidated cash flows in accordance with generally accepted accounting principles and practices in countries or jurisdictions other than Vietnam. Furthermore, their utilisation is not designed for those who are not informed about Vietnamese accounting principles, procedures and practices applicable to credit institutions.

2. Basis of measurement

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

3. Annual accounting period

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

4. Accounting and reporting currency

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

IV. Summary of significant accounting policies

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

1. Basis of consolidation

a) *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. The financial statements of the subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

b) *Transactions eliminated on consolidation*

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

c) *Business combination*

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

Cost of a business combination (cost of the acquisition) is the aggregate amount of the fair values, at the date of exchange, of assets given, liabilities incurred or assumed, and equity instruments issued by the acquirer in the acquisition in exchange for control of the acquiree and any costs directly attributable to the business combination. Identifiable assets acquired, identifiable liabilities and contingent liabilities assumed in a business combination are recognised at fair value at the acquisition date.

Any goodwill that arises representing the excess of the cost of the acquisition over the Bank's interest in the net fair value of the identifiable assets, liabilities and contingent liabilities of the acquiree is recognised in the consolidated statement of financial position, then amortised through to the consolidated statement of income (see Note IV(1)(d)).

d) *Goodwill*

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

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

2. Foreign currency

Foreign currency transactions

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

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

Income and expense in foreign currencies of SeABank 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 consolidated statement of income.

3. Cash and cash equivalents

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

4. 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 cost 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(8).

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

5. Held-for-trading securities and investment securities

a) Classification

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

Investment securities include available-for-sale investment securities and held-to-maturity investment securities. Available-for-sale investment securities are debt securities which may be held for an indefinite period and sold whenever it is evaluated beneficial. Held-to-maturity investment securities are securities acquired to earn interest income and SeABank 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.

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

b) Recognition

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

c) Measurement

Debt securities

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

For debt investment securities, SeABank 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, SeABank 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, SeABank provides allowance for credit risk of such securities in accordance with the accounting policy as described in Note IV(8).

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

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

Equity securities

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

For listed securities, the actual market price of securities is the closing bid price at the latest trading date prior to the end of the accounting period. If the listed securities are not traded in 30 days before the date of making allowances or the listed securities are cancelled or suspended from trading on the date of making allowances, allowances for the investments in such equity securities are determined by the accounting policy specified in Note IV(6)(b).

For securities which have been registered for trading in the market of unlisted public companies and state-owned enterprises equitized through public offering ("UpCom"), the actual market price is the average price within the last 30 transaction days prior to the end of the accounting period announced by the Stock Exchange. If the securities of a joint-stock company registered for trading in the Upcom are not traded within 30 days prior to the end of the accounting period, allowances for the investment in such equity securities are determined by the accounting policy specified in Note IV(6)(b).

For unlisted, unregistered equity securities, allowances for the investment in such equity securities are determined by the accounting policy specified in Note IV(6)(b).

d) De-recognition

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

6. Long-term investments

a) 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.

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

Allowance for diminution in value of other long-term investments is made when the invested economic entities suffer losses, except when the loss was anticipated in the initial business plan before the date of investment. Allowance for diminution in value is determined as the total actual contributed capital of parties to the investee less (-) the actual owner's equity multiplied (x) by SeABank's ownership percentage in the investee.

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

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

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

Debt classification and allowance for loans and advances to customers are made in accordance with Circular 11 as described in Note IV(8).

8. 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.

SeABank implements debt classification using the quantitative method as follows:

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

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

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

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

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

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

SeABank has adopted Circular No. 02/2023/TT-NHNN dated 23 April 2023 (“Circular 02”) issued by the SBV on providing regulations on rescheduling of debt repayment term and keeping debt 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 June 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 SeABank 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 SeABank as being able to pay off the loan principal and/or interest on the rescheduled due date and not in violation of laws;

SeABank 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 risks

According to Circular 11, SeABank 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:

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

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

Maximum discount rates for collateral assets are determined as follows:

Types of collateral assets	Discount rates
(a) Deposits and certificates of deposits from customers in VND at the credit institutions or foreign banks' branches	100%
(b) Government bonds, gold bars, certificates of deposits from customers in foreign currencies at the credit institutions or foreign banks' branches	95%
(c) Municipal bonds, government-guaranteed bonds, transferable instruments, valuable papers issued by the credit institution; deposits, certificates of deposit, bills and notes issued by other credit institutions or foreign bank branches:	
▪ 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%

Additional specific allowance in accordance with Circular 02

SeABank also determines and makes additional specific allowance for the entire outstanding debt 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 at the last day of each month for debts classified from debts 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 they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations and enterprises) or borrowers are deceased or missing (for borrowers being individuals). Debts written-off against allowance are recorded as off-balance sheet items for following up and collection. The amounts collected from the debts previously written-off are recognised in the consolidated statement of income upon receipt.

e) *Allowance for 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 (8).

9. Derivative financial instruments

a) *Currency derivative contracts*

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

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

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

b) Interest rate derivative contracts

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

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

10. Tangible fixed assets

a) Cost

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

b) *Depreciation*

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

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

11. 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 definite land use rights comprises its purchase price and any directly attributable costs incurred in conjunction with securing the land use rights. Definite land use rights are amortised on a straight-line basis over lease term or useful lives. Indefinite land use rights are not amortised.

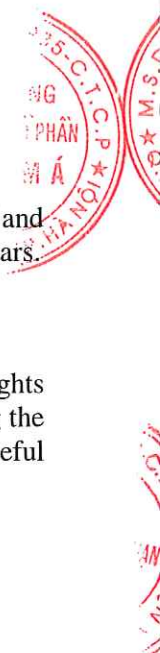
12. Investment property

Cost

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

Depreciation

Depreciation is computed on a straight-line basis over the estimated useful lives of investment properties. The estimated useful lives of investment properties being houses and structures is 10 - 50 years. Investment property that is an indefinite land use right is not amortized.



13. Other assets

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

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

Allowance rates by overdue period are 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%

14. Provision

A provision, excluding those presented in Note IV(4), IV(5), IV(6), IV(7), IV(8) and IV(13), is recognised if, as a result of a past event, SeABank 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.

15. Deposits from customers

Deposits from customers are stated at cost.

16. Other borrowed and entrusted funds

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

17. 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.

18. Other payables

Other payables are stated at cost.

19. 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

20. Reserves and funds

a) Reserves and funds of the Bank

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

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

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

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

b) Reserves and funds of the subsidiaries

SeABank Asset Management Company Limited

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

Post and Telecommunication Finance Company Limited

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

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

Financial reserve is used to compensate the financial losses during the normal course of business. The financial reserve and the reserve to supplement charter capital are made at year-end, are non-distributable and are parts of the owner's equity of the subsidiary.

21. 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 SeABank's employees.

22. Revenue and other income

a) Interest income

Interest income is recognised in the consolidated statement of income on an accrual basis, except for interest on debts classified in Group 2 to Group 5 described in Note IV(8) and debts kept unchanged in Group 1 as a result of adoption of Circular 02 as described in Note IV(8) which is recognised upon receipt.

When debts are classified in Group 2 to Group 5 as described in Note IV(8) or kept unchanged in Group 1 as a result of adoption of Circular 02 as described in Note IV(8), interest receivable will be derecognised and recorded as an off-balance sheet item. Interest on these debts is recognised in the consolidated statement of income upon receipt.

b) Fee and commission income

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

c) Income from investing activities

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

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

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

23. Interest expenses

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

24. Fee and commission expenses

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

25. Operating lease payments

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

26. Taxation

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

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

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

27. Related parties

Related parties of SeABank include:

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

28. Earnings per share

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

Diluted earnings per share are determined by adjusting the profit or loss attributable to the ordinary shareholders and the average number of ordinary shares outstanding, taking into account the effects of potential ordinary shares arising from convertible bonds and stock options. As at 31 December 2023 and for the year then ended SeABank does not have any potential ordinary shares; therefore, the presentation of diluted earnings per share is not applicable.

29. Segment reporting

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

30. Commitments and contingent liabilities

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

31. Financial instruments

Solely for the purpose of providing disclosures about the significance of financial instruments to SeABank's consolidated 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.

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.

32. Comparative information

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

33. Nil balances

Items or balances are specified in Circular No. 49/2014/TT-NHNN issued by SBV on December 31, 2014 (“Circular 49”) and Circular No. 27/2021/TT-NHNN issued by SBV issued on December 31, 2021 amending and supplementing a number of articles of the Accounting Account System of credit institutions issued together with Decision No. 479/2004/QĐ-NHNN dated April 29, 2004 and regulations Financial reporting standards for credit institutions issued together with Decision No. 16/2007/QĐ-NHNN dated April 18, 2007 of the Governor of the State Bank of Vietnam that are not shown in the financial statements This consolidation is understood to have a zero balance.

V. 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	683,601	864,245
Cash on hand in foreign currencies	141,070	172,741
Gold	26,628	821
	851,299	1,037,807

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	2,365,794	8,156,513
Current accounts at the SBV in foreign currencies	334,101	1,170,338
Guarantee deposits in VND	100,000	500,000
	2,799,895	9,826,851

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

Year-end CRR rates were as follows:

Deposits in scope	CRR rates	
	31/12/2023	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	31/12/2022
	VND million	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	37,345,650	33,751,280
Term deposits in VND	26,489,300	31,304,160
Term deposits in foreign currencies	10,856,350	2,447,120
	45,808,024	41,462,465
Loans to other CIs		
Loans to other CIs in VND	2,890,550	3,605,945
	48,698,574	45,068,410

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

	31/12/2023	31/12/2022
	VND million	VND million
Current debts	40,236,200	37,357,225

Year-end annual interest rates were as follows:

	31/12/2023	31/12/2022
Term deposits in VND	0,75% - 4,40%	2,80% - 10,50%
Term deposits in foreign currencies	5,00% - 5,40%	4,60% - 4,75%
Loans in VND	8,87% - 9,34%	4,04% - 10,96%

4. Held-for-trading securities

	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	916,333
Bonds issued by other local CIs	200,206	-
	8,353,236	3,987,085

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

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

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

	31/12/2023		31/12/2022	
	Term	Interest rate per annum	Term	Interest rate per annum
Government bonds	10 years - 30 years	2.10% - 8.00%	15 years - 30 years	2.50% - 8.00%
Certificates of deposits issued by other local CIs	1 year	10.20%	0.6 year - 1 year	6.40% - 13.50%
Bonds issued by local credit institutions	15 years	3.60%	Not applicable	

5. Loans and advances to customers

Loans portfolio by type:

	<u>31/12/2023</u> VND million	<u>31/12/2022</u> VND million
Loans to local economic entities and individuals	179,413,776	153,583,375
Payments on behalf of customers	6,965	5,761
Loans to foreign economic entities and individuals	331,152	366,856
	<u>179,751,893</u>	<u>153,955,992</u>

Loans portfolio by quality:

	<u>31/12/2023</u> VND million	<u>31/12/2022</u> VND million
Current	174,248,560	150,926,694
Special mentioned	2,020,336	569,193
Sub-standard	383,457	453,553
Doubtful	864,311	219,567
Loss	2,235,229	1,786,985
	<u>179,751,893</u>	<u>153,955,992</u>

Loans portfolio by term:

	<u>31/12/2023</u> VND million	<u>31/12/2022</u> VND million
Short-term loans	63,303,785	75,809,545
Medium-term loans	88,769,906	45,686,603
Long-term loans	27,678,202	32,459,844
	<u>179,751,893</u>	<u>153,955,992</u>

Loans portfolio by currency:

	<u>31/12/2023</u> VND million	<u>31/12/2022</u> VND million
Loans in VND	177,702,475	151,601,437
Loans in foreign currencies	2,049,418	2,354,555
	<u>179,751,893</u>	<u>153,955,992</u>

Year-end annual interest rates were as follows:

	<u>31/12/2023</u>	<u>31/12/2022</u>
Loans in VND	3.26% - 12.00%	3.50% - 13.50%
Loans in foreign currencies	2.50% - 6.60%	2.50% - 5.84%

Loans portfolio by customer type:

	31/12/2023	31/12/2022
	VND million	VND million
State-owned enterprises	1,256,281	1,343,195
Joint stock companies in which the State's holding percentage is more than 50%	3,594,802	3,001,502
Other joint stock companies	59,225,732	55,911,304
Other limited liability companies	78,274,465	55,910,221
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	36,857,784	37,065,183
Others	7,460	2,475
	179,751,893	153,955,992

Loan portfolio by industry sectors was as follows:

	31/12/2023	31/12/2022
	Triệu VND	Triệu VND
Agriculture, forestry and aquaculture	348,709	141,735
Mining	1,258,422	1,284,768
Manufacturing and processing	15,341,450	11,390,000
Electricity, gas, hot water, steam and air-conditioning	1,594,262	1,326,144
Construction	7,461,319	6,340,235
Wholesale and retail trade; repair of motor	27,394,555	22,605,524
Transportation and warehouse	12,859,261	9,871,501
Hospitality services	12,507,611	12,035,540
Information and communications	5,241,000	4,298,000
Financial and insurance services	3,486,303	3,308,279
Real estate	8,886,123	7,332,956
Science and technology	10,747,000	9,809,000
Administrative operations and support services	5,736,500	-
Education and training	1,300	-
Health care and social work	81,756	104,328
Art, entertainment and recreation	14,454,873	9,874,313
Employment activities in households, production of material products and services for household self-consumption	36,857,784	37,065,184
Other service activities	15,493,665	17,168,485
	179,751,893	153,955,992

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 (i)	1,333,794	1,141,268
Specific allowance (ii)	1,644,225	1,291,741
	2,978,019	2,433,009

(i) Movements in general allowance during the year were as follows:

	2023 VND million	2022 VND million
Opening balance	1,141,268	946,205
Allowance made during the year	192,526	195,063
Closing balance	1,333,794	1,141,268

(ii) Movements in specific allowance during the year were as follows:

	2023 VND million	2022 VND million
Opening balance	1,291,741	835,412
Allowance made during the year	1,007,759	979,675
Utilisation of allowance during the year	(655,275)	(523,346)
Closing balance	1,644,225	1,291,741

7. Investment securities

a. Available-for-sale securities

	31/12/2023 VND million	31/12/2022 VND million
Debt securities		
- Government bonds	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
Equity securities		
- Equity securities issued by local economic entities	82,054	82,054
	14,035,545	7,951,304

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

	31/12/2023 VND million	31/12/2022 VND million
Current debts	250,000	250,000

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

	31/12/2023		31/12/2022	
	Term	Interest rate per annum	Term	Interest rate per annum
Bonds issued by the Government	7 years - 30 years	2.20% - 6.50%	7 years - 30 years	2.10% - 6.60%
Bonds issued by local CIs	3 years - 15 years	2.50% - 9.00%	1 year - 15 years	2.50% - 15.00%
Bonds issued by local economic entities	4 years	10.225%	4 years	9.53%
Certificates of deposits issued by other local CIs	Not applicable		1 year - 3 years	2.43% - 9.09%

b. Held-to-maturity securities

	31/12/2023	31/12/2022
	VND million	VND million
Bonds issued by local economics entities	350,458	715,458

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

	31/12/2023	31/12/2022
	VND million	VND million
Current debts	-	684,364
Special mentioned debts	-	31,094
Sub-standard debts	319,364	-
Loss debts	31,094	-
	350,458	715,458

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

	31/12/2023		31/12/2022	
	Term	Interest rate per annum	Term	Interest rate per annum
Bonds issued by local economic entities	1 - 10 years	8.00% - 8.90%	1 - 10 years	8.00% - 8.90%

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
Specific allowance for held-to-maturity securities	94,967	15,547
	99,237	19,817

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

For the year ended 31 December 2023

	General allowance for held-to-maturity securities VND million	Specific allowance for held-to-maturity securities VND million	Total VND million
Balance at 1 January 2023	2,395	15,547	17,942
Allowance made during the year (Note V.27)	-	79,420	79,420
Balance at 31 December 2023	2,395	94,967	97,362

For the year ended 31 December 2022

	General allowance for held-to-maturity securities VND million	Specific allowance for held-to-maturity securities VND million	Total VND million
Balance at 1 January 2022	2,395	-	2,395
Allowance made during the year (Note V.27)	-	15,547	15,547
Balance at 31 December 2022	2,395	15,547	17,942

8. Long-term investments

	31/12/2023 VND million	31/12/2022 VND million
Other long-term investments (i)	62,432	62,432
Allowance for diminution in value of long-term investments (ii)	(540)	(1,119)
	61,892	61,313

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

	31/12/2023		31/12/2022	
	Cost VND million	%	Cost VND million	%
Other long-term investments				
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%
Global Data Service Joint Stock Company	2,670	2.13%	2,670	2.13%
Brainwork Vietnam Inc	436	9.99%	436	9.99%
Post and Telecommunications Investment and Construction Consulting JSC (PTICC)	256	0.45%	256	0.45%
	62,432		62,432	

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

	2023 VND million	2022 VND million
Opening balance	1,119	1,443
Reversed during the year (Note V.30)	(579)	(324)
Closing balance	540	1,119

9. Tangible fixed assets

For the year ended 31 December 2023

	Buildings and structures VND million	Machines and equipment VND million	Means of transportation VND million	Office equipment VND million	Other tangible fixed assets VND million	Total VND million
Cost						
Opening balance	19,075	321,200	396,022	119,032	22,350	877,679
New purchases	-	160,190	27,042	3,633	17,655	208,520
Disposals	-	(474)	(100)	(2,644)	(108)	(3,326)
Closing balance	19,075	480,916	422,964	120,021	39,897	1,082,873
Accumulated depreciation						
Opening balance	5,842	162,725	186,294	85,997	9,632	450,490
Charge for the year	870	31,664	37,508	11,615	2,787	84,444
Disposals	-	(474)	(100)	(2,644)	(108)	(3,326)
Closing balance	6,712	193,915	223,702	94,968	12,311	531,608
Net book value						
Opening balance	13,233	158,475	209,728	33,035	12,718	427,189
Closing balance	12,363	287,001	199,262	25,053	27,586	551,265

For the year ended 31 December 2022

	Buildings and structures VND million	Machines and equipment VND million	Means of transportation VND million	Office equipment VND million	Other tangible fixed assets VND million	Total VND million
Cost						
Opening balance	18,128	259,006	290,410	99,072	12,356	678,972
New purchases	1,153	62,194	106,720	20,462	10,879	201,408
Disposals	(206)	-	(1,108)	(502)	(885)	(2,701)
Closing balance	19,075	321,200	396,022	119,032	22,350	877,679
Accumulated depreciation						
Opening balance	5,081	142,976	159,235	76,695	8,717	392,704
Charge for the year	967	19,749	28,133	9,804	1,801	60,454
Disposals	(206)	-	(1,074)	(502)	(886)	(2,668)
Closing balance	5,842	162,725	186,294	85,997	9,632	450,490
Net book value						
Opening balance	13,047	116,030	131,175	22,377	3,639	286,268
Closing balance	13,233	158,475	209,728	33,035	12,718	427,189

Included in tangible fixed assets were assets costing VND86,817 million which were fully depreciated as of 31 December 2023 (31 December 2022: VND75,133 million), but still in active use.

10. Intangible fixed assets

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	456,580	13,446	854,399
New purchases	-	101,542	-	101,542
Closing balance	384,373	558,122	13,446	955,941
Accumulated amortisation				
Opening balance	-	188,542	7,354	195,896
Charge for the year	-	40,361	1,651	42,012
Closing balance	-	228,903	9,005	237,908
Net book value				
Opening balance	384,373	268,038	6,092	658,503
Closing balance	384,373	329,219	4,441	718,033

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	371,507	11,133	760,635
New purchases	6,378	86,144	2,313	94,835
Disposals	-	(1,071)	-	(1,071)
Closing balance	384,373	456,580	13,446	854,399
Accumulated amortisation				
Opening balance	-	158,449	5,951	164,400
Charge for the year	-	31,164	1,403	32,567
Disposals	-	(1,071)	-	(1,071)
Closing balance	-	188,542	7,354	195,896
Net book value				
Opening balance	377,995	213,058	5,182	596,235
Closing balance	384,373	268,038	6,092	658,503

Included in intangible fixed assets were assets costing VND47,891 million which were fully amortised as of 31 December 2023 (31 December 2022: VND36,215 million), but still in active use.

11. Investment properties

For the year ended 31 December 2023

	Land-use rights VND million	Buildings and structures VND million	Total VND million
Cost			
Opening balance	21,912	42,554	64,466
Increase in the year	3,613	3	3,616
Decrease in the year	(3,905)	-	(3,905)
Closing balance	21,620	42,557	64,177
Accumulated depreciation			
Opening balance	-	6,419	6,419
Increase in the year	-	1,174	1,174
Closing balance	-	7,593	7,593
Carrying value			
Opening balance	21,912	36,135	58,047
Closing balance	21,620	34,964	56,584

For the year ended 31 December 2022

	Land-use rights VND million	Buildings and structures VND million	Total VND million
Cost			
Opening balance	28,282	42,527	70,809
Increase in the year	-	27	27
Decrease in the year	(6,370)	-	(6,370)
Closing balance	21,912	42,554	64,466
Accumulated depreciation			
Opening balance	-	5,245	5,245
Increase in the year	-	1,174	1,174
Closing balance	-	6,419	6,419
Carrying value			
Opening balance	28,282	37,282	65,564
Closing balance	21,912	36,135	58,047

12. Other assets

	31/12/2023 VND million	31/12/2022 VND million
Receivables	7,092,858	5,490,462
Internal receivables	429,589	433,134
External receivables	6,663,269	5,057,328
Interest and fee receivables	3,318,857	2,594,093
Other assets	2,588,785	2,083,798
Allowance for other on-balance sheet assets (i)	(30,003)	(40,430)
	12,970,497	10,127,923

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

	2023 VND million	2022 VND million
Opening balance	40,430	41,094
Allowance made/(reversed) during the year (Note V.30)	282	(664)
Utilisation of allowance during the year	(10,709)	-
Closing balance	30,003	40,430

13. Goodwill

	31/12/2023 VND million	31/12/2022 VND million
Total Goodwill	712,055	712,055
Amortisation period (years)	10	10
Cumulative amortisation at the beginning of the year	302,624	231,418
Carrying value at the beginning of the year	409,431	480,637
Decrease in the year	71,205	71,206
Amortised during the year	71,205	71,206
Carrying value at the end of the year	338,226	409,431

14. Amounts due to the Government and the SBV

	31/12/2023 VND million	31/12/2022 VND million
Borrowings on 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

15. Deposits and borrowings from other credit institutions

	31/12/2023 VND million	31/12/2022 VND million
Demand deposits from other credit institutions	7,713,899	7,229,595
- In VND	7,713,899	7,229,595
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
	47,046,799	44,265,765
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
Total deposits and borrowings from other credit institutions	66,698,038	59,719,627

- (i) Included in other borrowings as at 31 December 2023 and 31 December 2022 were convertible borrowings from the International Finance Corporation ("IFC") amounting to USD75,000,000. IFC has an option to convert the debt into shares of the Bank during the term of the borrowing.

Year-end annual interest rates were as follows:

	31/12/2023	31/12/2022
Term deposits in VND	0.70% - 4.50%	2.85% - 8.80%
Term deposits in foreign currencies	5.30% - 5.40%	4.30% - 4.75%
Borrowings in VND	3.28% - 9.34%	3.51% - 10.63%
Borrowings in foreign currencies	0.57% - 8.64%	1.00% - 7.86%

16. Deposits from customers

	31/12/2023 VND million	31/12/2022 VND million
Demand deposits	15,794,593	10,755,314
- Demand deposits in VND	15,083,660	10,022,310
- Demand deposits in gold and foreign currencies	710,933	733,004
Term deposits	128,138,764	103,955,144
- Term deposits in VND	127,685,843	103,134,487
- Term deposits in gold and foreign currencies	452,921	820,657
Deposits for special purpose	410,674	410,512
Margin deposits	495,975	426,301
	144,840,006	115,547,271

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
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
Limited liability companies	8,506,849	8,066,951
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
	144,840,006	115,547,271

Year-end annual interest rates were as follows:

	31/12/2023	31/12/2022
Demand deposits in VND	0.20% - 0.50%	0.00% - 1.00%
Demand deposits in foreign currencies	0.00%	0.00%
Term deposits in VND	0.50% - 6.10%	1.00% - 9.50%
Term deposits in foreign currencies	0.00%	0.00% - 0.98%

17. 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	Liabilities	Net value
		VND million	VND million	VND million
As at 31 December 2023				
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
	102,678,065	102,993,784	103,100,915	(107,131)
As at 31 December 2022				
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)
	115,730,290	115,915,372	115,930,335	(14,963)

18. Valuable papers issued

	31/12/2023 VND million	31/12/2022 VND million
Term bonds		
- From 12 months 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

Year-end annual interest rates were as follows:

	31/12/2023	31/12/2022
Term bonds		
From 12 months to less than 5 years	4.10% - 4.70%	3.20% - 4.70%
Over 5 years	6.60% - 9.00%	6.60% - 9.00%
Certificates of deposits	6.00% - 8.80%	3.70% - 9.50%

19. Other liabilities

	31/12/2023	31/12/2022
	VND million	VND million
Internal payables	13,262	22,980
External payables	4,635,900	4,475,371
In which:		
- <i>Accrued interest and fee payables</i>	3,743,466	3,699,830
- <i>Deferred income</i>	1,718	517
- <i>Taxes and others payable to State Treasury (Notes V.34)</i>	587,526	434,315
- <i>Other payables</i>	303,190	340,709
Bonus and welfare fund	144,982	66,308
	4,794,144	4,564,659

20. Owners' equity

For the year ended 31 December 2023

	Charter capital VND million	Share premium VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Retained earnings VND million	Total VND million
Balance at 1 January 2023	20,402,983	1,204,184	945,594	210,373	3,469,086	26,232,220
Profit for the year	-	-	-	-	3,676,955	3,676,955
Increase of capital from share issued under the Employee Stock Ownership Plan	420,000	84,000	-	-	-	504,000
Shares issued for payment of dividends	2,952,000	-	-	-	(2,952,000)	-
Increase of capital from share premium	1,182,017	(1,182,017)	-	-	-	-
Appropriation to reserves	-	-	372,915	186,457	(559,372)	-
Appropriation to bonus and welfare fund	-	-	-	-	(116,336)	(116,336)
Balance at 31 December 2023	24,957,000	106,167	1,318,509	396,830	3,518,333	30,296,839

For the year ended 31 December 2022

	Charter capital VND million	Share premium VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Retained earnings VND million	Total VND million
Balance at 1 January 2022	14,784,884	810,623	554,043	301,598	2,212,116	18,663,264
Profit for the year	-	-	-	-	4,052,928	4,052,928
Increase of capital from shares issued under the Employee Stock Ownership Plan	594,000	297,000	-	-	-	891,000
Increase of capital from shares issued to existing shareholders	1,813,116	906,557	-	-	-	2,719,673
Shares issued for payment of dividends	2,113,988	-	-	-	(2,113,988)	-
Increase of capital from share premium	809,996	(809,996)	-	-	-	-
Increase of capital from reserve to supplement charter capital	286,999	-	-	(286,999)	-	-
Appropriation to reserves	-	-	391,551	195,774	(587,325)	-
Appropriation to bonus and welfare fund	-	-	-	-	(92,001)	(92,001)
Other decreases	-	-	-	-	(2,644)	(2,644)
Balance at 31 December 2022	20,402,983	1,204,184	945,594	210,373	3,469,086	26,232,220



Share capital

	31/12/2023		31/12/2022	
	Number of shares	VND million	Number of 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.

21. Dividends

On 8 May 2023, the Board of Directors of the Bank approved Resolution No. 271/2023/NQ-HDQT on the issuance of shares for payment of dividends for 2022 to existing shareholders from retained profit after tax as at 31 December 2022.

According to the result report on issuance of shares for payment of dividends on 30 June 2023 submitted to the State Security Commission of Vietnam, the Bank completed the issuance of 295,200,000 shares for payment of dividends.

22. Interest and similar income

	2023 VND million	2022 VND million
Interest income from deposits	1,376,487	760,564
Interest income from loans	17,336,233	13,426,778
Interest income from investments in securities	754,167	746,306
Income from guarantee services	105,059	102,285
Other income from credit activities	146,544	113,867
	19,718,490	15,149,800

23. Interest and similar expenses

	2023 VND million	2022 VND million
Interest expenses for deposits	9,770,507	6,494,356
Interest expenses for borrowings	1,558,062	556,747
Interest expenses for valuable papers issued	1,214,618	972,850
Other expenses for credit activities	104,584	119,920
	12,647,771	8,143,873

24. Net fee and commission income

	2023 VND million	2022 VND million
Fee and commission income	1,530,991	1,642,698
- Settlement and cash services	1,014,792	325,607
- Treasury services	3,718	6,971
- Insurance agency services	173,661	533,564
- Other services	338,820	776,556
Fee and commission expenses	(223,134)	(275,381)
- Settlement and cash services	(89,796)	(83,524)
- Treasury services	(19,372)	(21,384)
- Other services	(113,966)	(170,473)
Net fee and commission income	1,307,857	1,367,317

25. 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

26. Net gain from held-for-trading securities

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

27. Net gain 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 available-for-sale investment securities	-	39,056
Allowance made for held-to-maturity investment securities (Note V.7)	(79,420)	(15,547)
Net gain from investment securities	128,660	621,173

28. Net other income

	2023 VND million	2022 VND million
Income from other activities	332,345	415,516
- Income from other derivatives	234,650	295,649
- Income from other activities	97,695	119,867
Expenses for other activities	(141,624)	(222,620)
- Expenses for other derivatives	(128,654)	(201,012)
- Expenses for other activities	(12,970)	(21,608)
Net income from other activities	190,721	192,896

29. Income from capital contribution, share purchase

	2023 VND million	2022 VND million
Dividends received from capital contribution, share purchase	14,384	7,937

30. Operating expenses

	2023 VND million	2022 VND million
Tax, duties and fees	41,292	36,804
Staff costs	1,856,595	1,800,099
<i>In which:</i>		
- <i>Salary and allowances</i>	1,715,013	1,661,091
- <i>Salary based contribution</i>	112,363	90,619
- <i>Allowances</i>	177	166
- <i>Others</i>	29,042	48,223
Expenses on assets	671,177	568,183
- <i>Depreciation and amortisation of fixed assets</i>	126,456	93,021
- <i>Others</i>	544,721	475,162
Administrative expenses	653,260	643,637
- <i>Per diems</i>	37,410	27,528
- <i>Printing materials and papers</i>	38,817	41,939
- <i>Postage and telephone expenses</i>	42,518	58,384
- <i>Others</i>	534,515	515,786
Insurance fee for customers' deposits	117,411	100,038
Amortisation of goodwill	71,206	71,206
Other expenses	196,504	184,544
Allowance reversed for diminution in value of long-term investments (Note V.8)	(579)	(324)
Allowance made/(reversed) for other on-balance sheet assets (Note V.12)	282	(664)
	3,607,148	3,403,523

31. Corporate income tax

	2023 VND million	2022 VND million
Accounting profit before tax	4,616,558	5,068,986
<i>Adjustments for:</i>		
- Dividend income and other tax-exempted income	(14,384)	(7,937)
- Non-deductible expenses	18,325	2,756
- Consolidation adjustments	71,206	16,067
Taxable profit	4,691,705	5,079,872
Corporate income tax rate	20%	20%
Calculated corporate income tax expense	938,341	1,015,974
Additional corporate income tax payable for prior year	1,262	84
	939,603	1,016,058

32. Basic earnings per share

i. Net profit to calculate basic earnings per share

	2023 VND million	2022 (restated) VND million	2022 (as previously reported) VND million
Net profit during the year	3,676,955	4,052,928	4,052,928
Appropriation to bonus and welfare fund (*)	(110,309)	(116,336)	(92,001)
Profit distributable to ordinary shareholders	3,566,646	3,936,592	3,960,927

(*) As at December 31, 2023, the Bank estimates that the amount allocated to the bonus and welfare fund from the current year's profits is equal to 3.00% of 2023 profit after tax.

ii. *Weighted average number of ordinary shares*

	2023	2022 (Restated)	2022 (as previously reported)
Number of ordinary shares at the beginning of the year	2,040,298,268	1,478,488,369	1,478,488,369
Effect of ordinary shares issued to existing shareholders in 2022	-	287,547,232	287,547,232
Effect of ordinary shares issued for dividend payment in 2022	-	211,398,767	211,398,767
Effect of shares issued from share premium and reserves in 2022	-	109,699,501	109,699,501
Effect of shares issued under the Employee Stock Ownership Plan in 2022	-	9,764,384	9,764,384
Effect of ordinary shares issued for dividend payment in 2023	295,200,000	295,200,000	-
Effect of shares issued from share premium in 2023	118,201,732	118,201,732	-
Effect of shares issued under the Employee Stock Ownership Plan in 2023	1,265,753	-	-
Weighted average number of ordinary shares for the year	2,454,965,753	2,510,299,985	2,096,898,253

Basic earnings per share

	2023	2022 (Restated)	2022 (as previously reported)
Basic earnings per share (VND/share)	1,453	1,568	1,889

33. Cash and cash equivalents

	31/12/2023 VND million	31/12/2022 VND million
Cash and gold	851,299	1,037,807
Balances with the SBV	2,799,895	9,826,851
Current accounts at other CIs	8,462,374	7,711,185
Term deposits at other CIs with terms not exceeding three months	37,345,650	33,751,280
	49,459,218	52,327,123

34. Obligations to the State Treasury

For the year ended 31 December 2023

Items	Movements during the year			31/12/2023 VND million
	1/1/2023 VND million	Payable VND million	Paid VND million	
Value added tax	13,944	84,057	75,869	22,132
Corporate income tax	410,214	939,603	794,401	555,416
Personal income tax	10,157	158,795	158,974	9,978
Other taxes	-	59,209	59,209	-
	434,315	1,241,664	1,088,453	587,526

For the year ended 31 December 2022

Items	Movements during the year			31/12/2022 VND million
	1/1/2022 VND million	Payable VND million	Paid VND million	
Value added tax	21,357	123,297	130,710	13,944
Corporate income tax	272,094	1,016,058	877,938	410,214
Personal income tax	8,594	177,498	175,935	10,157
Other taxes	-	36,174	36,174	-
	302,045	1,353,027	1,220,757	434,315

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

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

	Total loans to customers and other CIS	Total deposits from customers and other CIS	Contingent credit commitments	Derivatives and other financial liabilities (net)	Securities held-for-trading and investment securities
	VND million	VND million	VND million	VND million	VND million
Domestic	182,311,291	191,850,365	11,814,794	107,131	22,739,239
Overseas	331,152	36,440	-	-	-
	182,642,443	191,886,805	11,814,794	107,131	22,739,239

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

	Total loans customers and other CIS	Total deposits from customers and other CIS	Contingent credit commitments	Derivatives and other financial liabilities (net)	Securities held-for-trading and investment securities
	VND million	VND million	VND million	VND million	VND million
Domestic	157,195,081	159,796,947	11,602,889	14,963	12,653,847
Overseas	366,856	16,089	-	-	-
	157,561,937	159,813,036	11,602,889	14,963	12,653,847

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

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

	31/12/2023	31/12/2022
	VND million	VND million
Real estate	186,213,593	145,460,512
Movable assets	10,047,272	11,534,630
Valuable papers	46,796,355	18,139,552
Other collaterals	68,321,080	93,916,445
	311,378,300	269,051,139

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

	31/12/2023	31/12/2022
	VND million	VND million
Held-for-trading securities	-	954,957
- <i>Government bonds</i>	-	954,957
Available-for-sale investment securities	2,364,610	3,344,610
- <i>Government bonds</i>	149,610	2,479,610
- <i>Bonds issued by other local CIs</i>	2,215,000	865,000
	2,364,610	4,299,567

37. Segment reporting

A segment is a component determined separately by SeABank which is engaged in providing related products or services (business segment) or providing products or services in a particular economic environment (geographical segment). Each segment is subject to risks and returns that are different from those of other segments.

a. *The primary business segment reporting*

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

Banking operations:	- Mobilizing deposits; - Providing credit; - Wire transfer, settlement services; and - Other banking operations
Finance companies' activities:	Consumer lending and other financial activities
Debt management and asset exploitation:	Debt management and asset exploitation

Segment reporting by business segment for the year ended 31 December 2023 and for the year ended 31 December 2022 are presented in the following table:

2023 VND million	Banking operations	Finance companies activities	Debt management and asset exploitation	Elimination for inter- segment transactions	Consolidated figures
Revenue					
Interest income	19,377,092	565,559	30,466	(254,627)	19,718,490
Fee and commission income	1,485,514	14,143	36,402	(5,068)	1,530,991
Income from other business activities	4,155,657	1,900	88	(29,649)	4,127,996
	25,018,263	581,602	66,956	(289,344)	25,377,477
Expense					
Interest expense	12,675,373	226,381	644	(254,627)	12,647,771
Fee and commission expense	205,931	1,752	15,451	-	223,134
Others direct business expense	3,066,315	119	16,147	-	3,082,581
Operating expense	3,275,899	259,848	5,263	66,138	3,607,148
	19,223,518	488,100	37,505	(188,489)	19,560,634
Operating results before allowance expense for credit losses	5,794,745	93,502	29,451	(100,855)	5,816,843
Allowance expense for credit losses	1,167,611	32,674	-	-	1,200,285
Segment outcome	4,627,134	60,828	29,451	(100,855)	4,616,558
As at 31 December 2023					
Assets					
Cash	851,268	-	31	-	851,299
Fixed assets	1,265,655	3,643	-	-	1,269,298
Other assets	266,058,107	5,634,596	889,558	(8,580,943)	264,001,318
	268,175,030	5,638,239	889,589	(8,580,943)	266,121,915
Liabilities					
Amounts due to the Government and the SBV	2,538,637	-	-	-	2,538,637
Deposits and borrowings from other credit institutions	68,352,556	4,300,000	-	(5,954,518)	66,698,038
Deposits from customers	145,225,061	147	-	(385,202)	144,840,006
Other borrowed and entrusted funds	-	1,020	-	-	1,020
Valuable papers issued	16,846,100	-	-	-	16,846,100
Other liabilities	4,873,888	38,937	307,900	(319,450)	4,901,275
	237,836,242	4,340,104	307,900	(6,659,170)	235,825,076

2022 VND million	Banking operations	Finance companies activities	Debt management and asset exploitation	Elimination for inter- segment transactions	Consolidated figures
Revenue					
Interest income	14,501,659	749,038	29,153	(130,050)	15,149,800
Fee and commission income	1,468,636	148,905	29,424	(4,267)	1,642,698
Income from other business activities	4,003,561	3,959	6,239	(15,547)	3,998,212
	19,973,856	901,902	64,816	(149,864)	20,790,710
Expense					
Interest expense	8,089,906	184,017	-	(130,050)	8,143,873
Fee and commission expense	227,637	36,578	11,166	-	275,381
Others business expense	2,717,299	2	22,455	(15,547)	2,724,209
Operating expense	3,057,088	274,834	4,662	66,939	3,403,523
	14,091,930	495,431	38,283	(78,658)	14,546,986
Operating results before allowance expense for credit losses	5,881,926	406,471	26,533	(71,206)	6,243,724
Allowance expense for credit losses	1,015,271	159,467	-	-	1,174,738
Segment outcome	4,866,655	247,004	26,533	(71,206)	5,068,986
As at 31 December 2022					
Assets					
Cash	1,037,776	-	31	-	1,037,807
Fixed assets	1,080,992	4,700	-	-	1,085,692
Other assets	230,049,700	6,336,979	620,274	(7,707,396)	229,299,557
	232,168,468	6,341,679	620,305	(7,707,396)	231,423,056
Liabilities					
Amounts due to the Government and the SBV	3,838,696	-	-	-	3,838,696
Deposits and borrowings from other credit institutions	60,609,321	3,525,000	-	(4,414,694)	59,719,627
Deposits from customers	115,550,779	253	-	(3,761)	115,547,271
Other borrowed and entrusted funds	-	1,020	-	-	1,020
Valuable papers issued	21,504,600	1,420,000	-	(1,420,000)	21,504,600
Other liabilities	4,424,365	645,930	27,699	(518,372)	4,579,622
	205,927,761	5,592,203	27,699	(6,356,827)	205,190,836

b. The secondary geographical segment reporting

The Bank and its subsidiaries mainly operate within the boundary of Vietnam so their risks and returns are not predominantly affected by the operation in different geographical areas. Therefore, SeABank's management identifies that there is only one geographical segment and its presentation is not required.

38. Significant transactions and balances with related parties

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

<i>Related parties</i>	<i>Relationship</i>
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 year-end were as follows:

	31/12/2023	31/12/2022
	VND million	VND million
<i>Thang Long GTC Joint Stock Company</i>		
Demand deposits at SeABank	10,146	9,182
Term deposits at SeABank	407,900	314,900
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
Demand deposits at SeABank	143,156	345,320
Term deposits at SeABank	731,524	268,094
Borrowings from SeABank	-	302
Guarantees at SeABank	1,369	942,967
<i>Vietnam Engine and Agricultural Machinery Corporation and its subsidiaries</i>		
Demand deposits at SeABank	107	11,518
Term deposits at SeABank	2,623,173	1,470,631
Guarantees at SeABank	194	582
<i>Vietnam Aircraft Leasing Joint Stock Company</i>		
Demand deposits at SeABank	7	7
Term deposits at SeABank	366,500	149,951
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
Demand deposits at SeABank	396,627	84,865
Term deposits at SeABank	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>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 and its subsidiaries</i>		
Interest expenses for deposits	23,929	15,539
Fee income from guarantees	9,110	11,641
<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
	2023	2022
	VND million	VND million
Remuneration of the Board of Directors' member	22,308	15,163
Chairman	6,000	4,390
Standing Vice Chairwoman	5,400	3,510
Vice Chairwoman, Full-time Board Member	4,800	2,620
Vice Chairwoman	2,319	1,080
Ms. Ngo Thi Nhai - Member	1,297	1,188
Mr. Mathew Nevil Welch - Member	1,184	800
Mr. Fergus Mardonald Clark - Independent Member	948	-
Mr. Hoang Minh Tân - Member	180	540
Mr. Bui Trung Kiên - Member	180	540
Mr. Faussier Loic Michel Marc	-	495
Remuneration of the Supervisory Board	3,846	2,160
Salary of the General Director and other managers	31,497	29,083

39. 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						
- 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	6,389,488	(280,286)	6,109,202
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	3,588,679	2,021,913
Fees not yet collected	37	-
Held-to-maturity bond interest not yet collection	86,127	-
	3,674,843	2,021,913

c. Written-off bad debts

	31/12/2023 VND million	31/12/2022 VND million
Principle balance of bad debts written-off under monitoring	5,012,050	4,783,138

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

40. Employee benefits

	2023 VND million	2022 VND million
Average number of employees (persons)	5,518	5,345
Employees' income (VND million)	1,715,013	1,661,091
Bonus and incentives (VND million)	25,449	27,785
	1,740,462	1,688,876
Average monthly income (VND million/person/month)	26.28	26.33

VI. 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 SeABank is exposed are market risk, credit risk, liquidity risk.

2. 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	851,299	-	-	-	-	-	-	-	851,299
Balances with the SBV	2,799,895	-	-	-	-	-	-	-	2,799,895
Balances with and loans to other CIs - gross	25,106,394	-	18,401,630	2,300,000	-	2,890,550	-	-	48,698,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	-	-	-	8,353,236
Loans and advances to customers - gross	-	5,503,333	45,739,544	68,904,961	39,370,905	15,981,751	4,150,142	101,257	179,751,893
Investment securities - gross	82,054	350,458	42,001	-	311,002	9,996	865,315	12,725,177	14,386,003
Long-term investments - gross	62,432	-	-	-	-	-	-	-	62,432
Fixed assets and investment property	1,325,882	-	-	-	-	-	-	-	1,325,882
Other assets - gross	13,000,500	-	-	-	-	-	-	-	13,000,500
Total assets	43,228,456	5,853,791	72,536,411	71,204,961	39,681,907	18,882,297	5,015,457	12,826,434	269,229,714
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	24,103,899	-	21,159,449	3,338,524	1,150,304	3,966,762	8,127,100	4,852,000	66,698,038
Deposits from customers	-	-	43,616,469	27,319,904	46,839,182	23,332,382	3,731,782	287	144,840,006
Derivative financial instruments and other financial liabilities	107,948	-	1,323	33	347	-	(2,520)	-	107,131
Other borrowed and entrusted funds	1,020	-	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	-	2,610,200	1,960,400	9,624,300	2,651,200	-	16,846,100
Other liabilities	4,794,144	-	-	-	-	-	-	-	4,794,144
Total liabilities	29,007,011	-	65,216,364	33,297,022	50,018,319	38,926,511	14,507,562	4,852,287	235,825,076
Interest sensitivity gap on -balance sheet	14,221,445	5,853,791	7,320,047	37,907,939	(10,336,412)	(20,044,214)	(9,492,105)	7,974,147	33,404,638
Interest sensitivity gap off-balance sheet	-	-	-	-	-	-	2,520	-	2,520
Interest sensitivity gap on and off- balance sheet	14,221,445	5,853,791	7,320,047	37,907,939	(10,336,412)	(20,044,214)	(9,489,585)	7,974,147	33,407,158

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	1,037,807	-	-	-	-	-	-	-	1,037,807
Balances with the SBV	9,826,851	-	-	-	-	-	-	-	9,826,851
Balances with and loans to other CIs - gross	7,711,185	-	23,667,000	10,390,225	150,000	3,150,000	-	-	45,068,410
Held-for-trading securities- gross	-	-	3,987,085	-	-	-	-	-	3,987,085
Loans and advances to customers - gross	-	3,029,298	33,233,192	51,839,207	38,134,267	20,761,648	6,682,891	275,489	153,955,992
Investment securities - gross	82,054	-	15,000	1,025,485	324,000	1,850,917	1,232,487	4,136,819	8,666,762
Long-term investments - gross	62,432	-	-	-	-	-	-	-	62,432
Fixed assets and investment property	1,143,739	-	-	-	-	-	-	-	1,143,739
Other assets - gross	10,168,353	-	-	-	-	-	-	-	10,168,353
Total assets	30,032,421	3,029,298	60,902,277	63,254,917	38,608,267	25,762,565	7,915,378	4,412,308	233,917,431
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	7,229,595	-	25,815,863	13,816,634	533,192	3,500,593	6,470,750	2,353,000	59,719,627
Deposits from customers	-	-	29,720,093	21,353,798	40,006,568	17,443,011	7,023,781	20	115,547,271
Derivative financial instruments and other financial liabilities	14,963	-	-	-	-	-	-	-	14,963
Other borrowed and entrusted funds	1,020	-	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	-	-	3,200,000	2,800,000	15,504,600	-	21,504,600
Other liabilities	4,564,659	-	-	-	-	-	-	-	4,564,659
Total liabilities	11,810,237	-	57,236,286	35,223,633	43,807,846	25,760,683	28,999,131	2,353,020	205,190,836
Interest sensitivity gap on -balance sheet	18,222,184	3,029,298	3,665,991	28,031,284	(5,199,579)	1,882	(21,083,753)	2,059,288	28,726,595
Interest sensitivity gap off-balance sheet	-	-	-	-	-	(34,730)	-	-	(34,730)
Interest sensitivity gap on and off- balance sheet	18,222,184	3,029,298	3,665,991	28,031,284	(5,199,579)	(32,848)	(21,083,753)	2,059,288	28,691,865



3. Currency risk

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

SeABank has set limits on positions by currency based on its internal risk assessment process and the regulations of the SBV. Currency positions are monitored on a daily basis and hedging strategies 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

	EUR VND million	USD VND million	Other currencies VND million	Total VND million
Assets				
Cash and gold	34,270	99,569	33,653	167,492
Balances with the SBV	-	334,101	-	334,101
Balances with and loans to other CIs - gross	12,940	11,466,632	88,464	11,568,036
Derivatives and other financial assets	-	3,460,806	(25,741)	3,435,065
Loans and advances to customers - gross	-	2,049,418	-	2,049,418
Other assets - gross	405	434,420	701	435,526
	47,615	17,844,946	97,077	17,989,638
Liabilities				
Deposits and borrowings from other CIs	-	16,027,451	701	16,028,152
Deposits from customers	47,406	1,453,957	34,081	1,535,444
Other liabilities	579	403,821	13,099	417,499
	47,985	17,885,229	47,881	17,981,095
FX position on-balance sheet	(370)	(40,283)	49,196	8,543
FX position off-balance sheet	5,395	(8,693)	3,312	14
Total FX position on and off-balance sheet	5,025	(48,976)	52,508	8,557

As of 31 December 2022

	EUR VND million	USD VND million	Other currencies VND million	Total VND million
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	-	12,782,500	2,967	12,785,467
Deposits from customers	96,289	1,826,265	38,620	1,961,174
Other liabilities	992	216,953	521	218,466
Total liabilities	97,281	14,825,718	42,108	14,965,107
FX position on-balance sheet	(447)	(33,292)	18,048	(15,691)
FX position off-balance sheet	-	-	-	-
Total FX position on and off-balance sheet	(447)	(33,292)	18,048	(15,691)

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

4. Credit risk

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

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

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

As of 31 December 2023	Neither past due nor allowance required VND million	Past due but no allowance required VND million	Allowance made VND million	Total VND million
Balances with the SBV	2,799,895	-	-	2,799,895
Deposits with and loans to other CIs - gross	48,698,574	-	-	48,698,574
Held-for-trading securities - gross	8,353,236	-	-	8,353,236
Loans to customers - gross	171,619,510	1,789,943	6,342,440	179,751,893
Investment securities - gross	14,035,545	-	350,458	14,386,003
Other financial assets - gross	10,381,712	-	30,003	10,411,715
	255,888,472	1,789,943	6,722,901	264,401,316

As of 31 December 2022	Neither past due nor allowance required VND million	Past due but no allowance required VND million	Allowance made VND million	Total VND million
Balances with the SBV	9,826,851	-	-	9,826,851
Deposits with and loans to other CIs - gross	45,068,410	-	-	45,068,410
Held-for-trading securities - gross	3,987,085	-	-	3,987,085
Loans to customers - gross	148,178,971	853,577	4,923,444	153,955,992
Investment securities - gross	8,666,762	-	-	8,666,762
Other financial assets - gross	8,044,125	-	40,430	8,084,555
	223,772,204	853,577	4,963,874	229,589,655

5. 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 SeABank according to their maturities as at 31 December 2023 and 31 December 2022:



As of 31 December 2023
(VND million)

	Overdue		Current			Total
	Up to 3 months	Over 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	
Assets						
Cash and gold	-	-	851,299	-	-	851,299
Balances with the SBV	-	-	2,799,895	-	-	2,799,895
Balances with and loans to other CIs - gross	-	-	43,508,024	2,300,000	2,890,550	48,698,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	8,353,236
Loans and advances to customers - gross	2,020,336	3,482,997	11,982,495	11,929,597	82,720,876	179,751,893
Investment securities - gross	319,364	31,094	124,055	-	320,998	14,386,003
Long-term investments - gross	-	-	-	-	-	62,432
Fixed assets and investment property	-	-	-	-	-	1,325,882
Other assets - gross	-	-	651,004	2,599,260	7,006,406	13,000,500
Total assets	2,339,700	3,514,091	68,270,008	16,828,857	92,938,830	269,229,714
Liabilities						
Amounts due to the Government and the SBV	-	-	439,123	28,361	2,071,153	2,538,637
Deposits and borrowings from other CIs	-	-	45,263,348	3,338,524	5,117,066	66,698,038
Deposits from customers	-	-	43,616,469	27,319,904	70,171,564	144,840,006
Derivative financial instruments and other financial liabilities	-	-	13,061	92,182	4,408	107,131
Other borrowed and entrusted funds	-	-	-	-	-	1,020
Valuable papers issued	-	-	-	2,610,200	11,584,700	16,846,100
Other liabilities	-	-	1,326,067	797,148	2,443,233	4,794,144
Total liabilities	-	-	90,658,068	34,186,319	91,392,124	235,825,076
Net liquidity gap	2,339,700	3,514,091	(22,388,060)	(17,357,462)	1,546,706	33,404,638



As of 31 December 2022
(VND million)

	Overdue		Current				Total
	Up to 3 months	Over 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	
Assets							
Cash and gold	-	-	1,037,807	-	-	-	1,037,807
Balances with the SBV	-	-	9,826,851	-	-	-	9,826,851
Balances with and loans to other CIs - gross	-	-	31,378,185	10,390,225	3,300,000	-	45,068,410
Held-for-trading securities - gross	-	-	3,987,085	-	-	-	3,987,085
Loans and advances to customers - gross	569,193	2,460,105	10,254,253	15,829,437	75,773,756	33,797,222	153,955,992
Investment securities - gross	-	-	97,054	1,025,485	2,174,917	1,232,487	4,136,819
Long-term investments - gross	-	-	-	-	-	-	62,432
Fixed assets and investment property	-	-	-	-	-	2,533	1,141,206
Other assets - gross	-	-	1,154,603	1,776,795	5,120,111	981,135	10,168,353
Total assets	569,193	2,460,105	57,735,838	29,021,942	86,368,784	36,013,377	233,917,431
Liabilities							
Amounts due to the Government and the SBV	-	-	1,700,330	53,201	2,085,165	-	3,838,696
Deposits and borrowings from other CIs	-	-	33,045,458	13,816,634	4,033,785	6,470,750	59,719,627
Deposits from customers	-	-	29,720,093	21,353,798	57,449,579	7,023,781	115,547,271
Derivative financial instruments and other financial liabilities	-	-	(342,057)	46,016	311,004	-	14,963
Other borrowed and entrusted funds	-	-	-	-	-	1,020	1,020
Valuable papers issued	-	-	-	-	6,000,000	15,504,600	21,504,600
Other liabilities	-	-	913,612	877,395	2,329,302	387,419	4,564,659
Total liabilities	-	-	65,037,436	36,147,044	72,208,835	29,387,570	205,190,836
Net liquidity gap	569,193	2,460,105	(7,301,598)	(7,125,102)	14,159,949	6,625,807	28,726,595

VII. Subsequent event

On 6 February 2024, the General Meeting of Shareholders of the Bank issued a Resolution approving and passing the transfer of the Bank's entire capital contribution in Post and Telecommunications Finance Company Limited to the transferee - AEON Financial Service Co., Ltd. The Bank is in the process of organizing the implementation of necessary procedures according to the provisions of law to complete the transfer.

VIII. Approve the consolidated financial statements

The consolidated financial statements for the year ended 31 December 2023 are approved by the Board of Management on 15 March 2024.

Prepared by:



Nghiem Thi Thu Nga

15 March 2024

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

