



## **Southeast Asia Commercial Joint Stock Bank**

Separate Financial Statements  
for the year ended 31 December 2023



[www.seabank.com.vn](http://www.seabank.com.vn)

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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 (“the Bank”) presents this statement and the accompanying separate financial statements of the Bank for the year ended 31 December 2023.

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

- (a) the separate financial statements set out on pages 4 to 67 give a true and fair view of the unconsolidated financial position of the Bank as at 31 December 2023, and of its unconsolidated results of operations and its unconsolidated cash flows for the year then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to financial reporting; and
- (b) at the date of this statement, there are no reasons for the Board of Management to believe that the Bank will not be able to pay its debts as and when they fall due.

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

On behalf of the Board of Management



Nguyen Thi Thu Huong  
*Deputy General Director*

Hanoi, 15 March 2024



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E6 Pham Hung Street, Me Tri Ward  
South Tu Liem District, Hanoi, Vietnam  
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## **INDEPENDENT AUDITOR'S REPORT**

### **To the Shareholders Southeast Asia Commercial Joint Stock Bank**

We have audited the accompanying separate financial statements of Southeast Asia Commercial Joint Stock Bank ("the Bank"), which comprise the separate statement of financial position as at 31 December 2023, the separate statements of income and cash flows for the year then ended and the explanatory notes thereto which were authorised for issue by the Bank's Board of Management on 15 March 2024, as set out on pages 4 to 67.

### **Management's Responsibility**

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

### **Auditor's Responsibility**

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

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

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



## Auditor's Opinion

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

### KPMG Limited

Vietnam

Audit Report No. 23-02-00174-24-3



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

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

Hanoi, 15 March 2024

## SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2023

No.	Items	Note	31/12/2023 VND million	31/12/2022 VND million
<b>A</b>	<b>ASSETS</b>			
<b>I</b>	<b>Cash and gold on hand</b>	V.1	851,268	1,037,776
<b>II</b>	<b>Balances with the State Bank of Vietnam ("SBV")</b>	V.2	2,784,593	9,280,904
	<b>Balances with and loans to other credit institutions</b>			
<b>III</b>	<b>("CIs")</b>	V.3	52,998,574	48,593,410
1	Balances with other CIs		50,108,024	44,987,465
2	Loans to other CIs		2,890,550	3,605,945
<b>IV</b>	<b>Held-for-trading securities</b>	V.4	8,353,236	5,407,085
1	Held-for-trading securities		8,353,236	5,407,085
<b>VI</b>	<b>Loans and advances to customers</b>		173,289,042	146,950,195
1	Loans and advances to customers	V.5	176,077,943	149,226,760
2	Allowance for loans and advances to customers	V.6	(2,788,901)	(2,276,565)
<b>VIII</b>	<b>Investment securities</b>		14,204,712	8,184,344
1	Available-for-sale securities	V.7a	13,953,491	7,869,250
2	Held-to-maturity securities	V.7b	319,364	319,364
3	Allowance for investment securities	V.7c	(68,143)	(4,270)
<b>IX</b>	<b>Long-term investments</b>	V.8	2,318,530	1,817,951
1	Investment in subsidiaries		2,260,000	1,760,000
4	Other long-term investments		59,070	59,070
5	Allowance for diminution in value of long-term investments		(540)	(1,119)
<b>X</b>	<b>Fixed assets</b>		1,265,655	1,080,992
1	Tangible fixed assets	V.9	549,636	425,090
	- Cost		1,078,032	872,157
	- Accumulated depreciation		(528,396)	(447,067)
3	Intangible fixed assets	V.10	716,019	655,902
	- Cost		950,649	849,107
	- Accumulated amortisation		(234,630)	(193,205)
<b>XII</b>	<b>Other assets</b>	V.11	12,109,420	9,815,811
1	Receivables		6,802,965	5,963,308
2	Accrued interest and fee receivables		3,277,171	2,503,670
4	Other assets		2,056,959	1,376,226
5	Allowance for other on balance sheet assets		(27,675)	(27,393)
	<b>TOTAL ASSETS</b>		<b>268,175,030</b>	<b>232,168,468</b>

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

**SEPARATE STATEMENT OF FINANCIAL POSITION (continued)**

As at 31 December 2023

No.	Items	Note	31/12/2023 VND million	31/12/2022 VND million
<b>B</b>	<b>LIABILITIES AND OWNERS' EQUITY</b>			
<b>I</b>	<b>Amounts due to the Government and the SBV</b>		<b>2,538,637</b>	<b>3,838,696</b>
1	Deposits and borrowings from the Government and the SBV	V.12	2,538,637	3,838,696
<b>II</b>	<b>Deposits and borrowings from other CIs</b>	<b>V.13</b>	<b>68,352,556</b>	<b>60,609,321</b>
1	Deposits from other CIs		48,701,317	45,155,459
2	Borrowings from other CIs		19,651,239	15,453,862
<b>III</b>	<b>Deposits from customers</b>	<b>V.14</b>	<b>145,225,061</b>	<b>115,550,779</b>
<b>IV</b>	<b>Derivative and other financial liabilities</b>	<b>V.15</b>	<b>107,131</b>	<b>14,963</b>
<b>VI</b>	<b>Valuable papers issued</b>	<b>V.16</b>	<b>16,846,100</b>	<b>21,504,600</b>
<b>VII</b>	<b>Other liabilities</b>	<b>V.17</b>	<b>4,766,757</b>	<b>4,409,402</b>
1	Accrued interest and fee payables		3,769,648	3,644,040
3	Other liabilities		997,109	765,362
	<b>TOTAL LIABILITIES</b>		<b>237,836,242</b>	<b>205,927,761</b>
<b>VIII</b>	<b>Owners' equity</b>	<b>V.18</b>	<b>30,338,788</b>	<b>26,240,707</b>
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		1,667,379	1,110,867
5	Retained earnings		3,608,242	3,522,673
	<b>TOTAL OWNERS' EQUITY</b>		<b>30,338,788</b>	<b>26,240,707</b>
	<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>268,175,030</b>	<b>232,168,468</b>

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

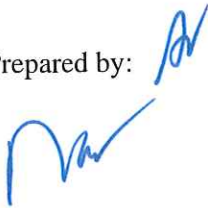
**SEPARATE STATEMENT OF FINANCIAL POSITION (continued)**

As at 31 December 2023

No.	Items	Note	31/12/2023 VND million	31/12/2022 VND million
	<b>OFF-BALANCE SHEET ITEMS</b>	<b>V.35</b>		
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	6,108,946
6	Interest rate swaps		7,974,600	7,759,570
7	Uncollected loan interest and fees		2,232,223	1,642,443
8	Written-off bad debts		4,950,956	4,731,933
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

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



**SEPARATE STATEMENT OF INCOME**

For the year ended 31 December 2023

No.	Items	Note	2023 VND million	2022 VND million
1	Interest and similar income	V.20	19,377,092	14,501,659
2	Interest and similar expenses	V.21	(12,675,373)	(8,089,906)
<b>I.</b>	<b>Net interest income</b>		<b>6,701,719</b>	<b>6,411,753</b>
3	Fee and commission income		1,485,514	1,468,636
4	Fee and commission expenses		(205,931)	(227,637)
<b>II.</b>	<b>Net fee and commission income</b>	V.22	<b>1,279,583</b>	<b>1,240,999</b>
<b>III.</b>	<b>Net gain from trading of foreign currencies</b>	V.23	<b>602,470</b>	<b>223,886</b>
<b>IV.</b>	<b>Net gain from held-for-trading securities</b>	V.24	<b>109,180</b>	<b>228,111</b>
<b>V.</b>	<b>Net gain from investment securities</b>	V.25	<b>144,207</b>	<b>636,720</b>
5	Other income		330,383	405,362
6	Other expenses		(140,905)	(215,710)
<b>VI.</b>	<b>Net other income</b>	V.26	<b>189,478</b>	<b>189,652</b>
<b>VII.</b>	<b>Gains from capital contribution, share purchase</b>	V.27	<b>44,007</b>	<b>7,893</b>
<b>VIII.</b>	<b>Operating expenses</b>	V.28	<b>(3,275,899)</b>	<b>(3,057,088)</b>
<b>IX.</b>	<b>Net operating profit before allowance expenses for credit losses</b>		<b>5,794,745</b>	<b>5,881,926</b>
<b>X.</b>	<b>Allowance expenses for credit losses</b>		<b>(1,167,611)</b>	<b>(1,015,271)</b>
<b>XI.</b>	<b>Profit before tax</b>		<b>4,627,134</b>	<b>4,866,655</b>
7	Corporate income tax expenses – current		(917,053)	(972,169)
<b>XII.</b>	<b>Income tax expense</b>	V.29	<b>(917,053)</b>	<b>(972,169)</b>
<b>XIII.</b>	<b>Net profit after tax</b>		<b>3,710,081</b>	<b>3,894,486</b>

15 March 2024

Prepared by:

Reviewed by:

Approved by:

Nghiem Thi Thu Nga

Nguyen Thi Hoai Phuong  
Chief Accountant

Nguyen Thi Thu Huong  
Deputy General Director

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

## SEPARATE STATEMENT OF CASH FLOWS

For the year ended 31 December 2023

(Direct method)

	2023 VND million	2022 VND million
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
01. Interest and similar income received	18,603,591	13,663,973
02. Interest and similar expenses paid	(12,549,765)	(7,393,186)
03. Net fees and commission income received	1,279,583	1,240,999
04. Net receipts from foreign currencies and securities trading	919,730	1,038,282
05. Other income	107,827	95,888
06. Proceeds from bad debts previously written off	81,623	93,796
07. Payments for personnel and operating expenses	(3,150,798)	(2,966,164)
08. Corporate income tax paid during the year	(760,130)	(853,028)
	<b>4,531,661</b>	<b>4,920,560</b>
<b>Cash flows from operating activities before changes in operating assets and liabilities</b>		
<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	(9,030,392)	16,335,506
11. Changes in derivatives and other financial assets	92,168	(32,841)
12. Changes in loans and advances to customers	(26,851,183)	(24,326,850)
13. Utilisation of allowance for credit losses	(655,275)	(478,661)
14. Changes in other operating assets	(2,020,390)	(3,273,937)
<i>Changes in operating liabilities</i>		
15. Changes in amounts due to the Government and the SBV	(1,300,059)	1,665,933
16. Changes in deposits and borrowings from other credit institutions	7,743,235	1,997,875
17. Changes in deposits from customers	29,674,282	5,736,260
18. Changes in valuable papers issued	(4,658,500)	2,451,400
20. Changes in other operating liabilities	(41,176)	2,948
	<b>(1,800,234)</b>	<b>8,749,233</b>
<b>I. Net cash flows from operating activities</b>	<b>(1,800,234)</b>	<b>8,749,233</b>

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

**SEPARATE STATEMENT OF CASH FLOWS (continued)**

For the year ended 31 December 2023

(Direct method)

	2023 VND million	2022 VND million
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
01. Purchase of fixed assets	(310,061)	(291,947)
02. Receipts from sales, disposal of fixed assets	28	-
08. Collections from investments in other entities	-	24,102
09. Dividends and profit received from long-term investments	44,007	7,893
<b>II. Net cash flows from investing activities</b>	<b>(266,026)</b>	<b>(259,952)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
01. Proceeds from issuing shares	504,000	3,610,673
<b>III. Net cash flows from financing activities</b>	<b>504,000</b>	<b>3,610,673</b>
<b>IV. Net cash flows during the year</b>	<b>(1,562,260)</b>	<b>12,099,954</b>
<b>V. Cash and cash equivalents at the beginning of the year</b>	<b>55,306,145</b>	<b>43,206,191</b>
<b>VII. Cash and cash equivalents at the end of the year (Note V.30)</b>	<b>53,743,885</b>	<b>55,306,145</b>

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 SEPARATE 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 separate financial statements.

### I. Corporate Information

<b>Banking Operation License No.</b>	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.																		
<b>Business Registration Certificate No.</b>	0200253985 dated 14 January 2005 Business Registration Certificate has been amended several times, the most recent of which is the 37th amendment dated 8 August 2023 issued by Hanoi Department of Planning and Investment.																		
<b>Board of Directors</b>	<table><tr><td>Mr. Le Van Tan</td><td>Chairman</td></tr><tr><td>Ms. Nguyen Thi Nga</td><td>Standing Vice Chairwoman</td></tr><tr><td>Ms. Le Thu Thuy</td><td>Vice Chairwoman (from 28 April 2023) Vice Chairwoman, Full-time Board Member (until 27 April 2023)</td></tr><tr><td>Ms. Khuc Thi Quynh Lam</td><td>Vice Chairwoman</td></tr><tr><td>Ms. Ngo Thi Nhai</td><td>Member (from 28 April 2023) Independent Member (until 27 April 2023)</td></tr><tr><td>Mr. Mathew Nevil Welch</td><td>Member (from 28 April 2023) Independent Member (until 27 April 2023)</td></tr><tr><td>Mr. Fergus Macdonald Clark</td><td>Independent Member (from 28 April 2023)</td></tr><tr><td>Mr. Hoang Minh Tan</td><td>Member (until 27 April 2023)</td></tr><tr><td>Mr. Bui Trung Kien</td><td>Member (until 27 April 2023)</td></tr></table>	Mr. Le Van Tan	Chairman	Ms. Nguyen Thi Nga	Standing Vice Chairwoman	Ms. Le Thu Thuy	Vice Chairwoman (from 28 April 2023) Vice Chairwoman, Full-time Board Member (until 27 April 2023)	Ms. Khuc Thi Quynh Lam	Vice Chairwoman	Ms. Ngo Thi Nhai	Member (from 28 April 2023) Independent Member (until 27 April 2023)	Mr. Mathew Nevil Welch	Member (from 28 April 2023) Independent Member (until 27 April 2023)	Mr. Fergus Macdonald Clark	Independent Member (from 28 April 2023)	Mr. Hoang Minh Tan	Member (until 27 April 2023)	Mr. Bui Trung Kien	Member (until 27 April 2023)
Mr. Le Van Tan	Chairman																		
Ms. Nguyen Thi Nga	Standing Vice Chairwoman																		
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Ms. Khuc Thi Quynh Lam	Vice Chairwoman																		
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Mr. Hoang Minh Tan	Member (until 27 April 2023)																		
Mr. Bui Trung Kien	Member (until 27 April 2023)																		
<b>Board of Management</b>	<table><tr><td>Mr. Le Quoc Long</td><td>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)</td></tr><tr><td>Mr. Faussier Loic Michel Marc</td><td>General Director (until 31 July 2023)</td></tr><tr><td>Ms. Nguyen Thi Thu Huong</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Tuan Cuong</td><td>Deputy General Director</td></tr><tr><td>Mr. Vu Dinh Khoan</td><td>Deputy General Director</td></tr><tr><td>Ms. Dang Thu Trang</td><td>Deputy General Director</td></tr><tr><td>Mr. Nguyen Hong Quang</td><td>Deputy General Director (from 23 February 2024)</td></tr><tr><td>Mr. Nguyen Tuan Anh</td><td>Deputy General Director (from 23 February 2024)</td></tr></table>	Mr. Le Quoc Long	General Director (from 24 November 2023) Acting General Director (from 1 August 2023 to 23 November 2023) Standing Deputy General Director (until 31 July 2023)	Mr. Faussier Loic Michel Marc	General Director (until 31 July 2023)	Ms. Nguyen Thi Thu Huong	Deputy General Director	Mr. Nguyen Tuan Cuong	Deputy General Director	Mr. Vu Dinh Khoan	Deputy General Director	Ms. Dang Thu Trang	Deputy General Director	Mr. Nguyen Hong Quang	Deputy General Director (from 23 February 2024)	Mr. Nguyen Tuan Anh	Deputy General Director (from 23 February 2024)		
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Mr. Nguyen Tuan Cuong	Deputy General Director																		
Mr. Vu Dinh Khoan	Deputy General Director																		
Ms. Dang Thu Trang	Deputy General Director																		
Mr. Nguyen Hong Quang	Deputy General Director (from 23 February 2024)																		
Mr. Nguyen Tuan Anh	Deputy General Director (from 23 February 2024)																		

<b>Board of Management</b> (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)
<b>Legal Representative</b>	Mr. Le Van Tan	Chairman
<b>Registered office</b>	No. 198 Tran Quang Khai, Ly Thai To Ward, Hoan Kiem District, Hanoi, Vietnam	
<b>Auditors</b>	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%

#### 4. Total number of employees

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

### III. Basis of preparation

#### 1. Statement of compliance

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

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

#### 2. Basis of measurement

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

#### 3. Annual accounting period

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

#### 4. Accounting and reporting currency

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

### IV. Summary of significant accounting policies

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

#### 1. Foreign currency

##### *Foreign currency transactions*

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

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

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

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

#### 2. Cash and cash equivalents

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

#### 3. Balances with and loans to other credit institutions

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

Term deposits at and loans to other credit institutions are stated at 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(7).

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

#### 4. 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 the Bank has the intention and ability to hold until maturity. Securities classified as held-to-maturity are neither sold prior to maturity date or nor reclassified into held-for-trading and available-for-sale.

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

##### b) *Recognition*

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

##### c) *Measurement*

###### *Debt securities*

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

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

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



For debt securities of enterprises that have neither been listed in the stock market nor registered for trading in the market of unlisted public companies, the Bank provides allowance for credit risk of such securities in accordance with the accounting policy as described in Note IV(7).

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 separate statement of income upon receipt from the issuer (on cash basis).

**d) *De-recognition***

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

**5. Long-term investments**

**a) *Investments in subsidiaries***

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

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

**b) *Other long-term investments***

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

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

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

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.

## 6. Loans and advances to customers

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

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

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

Debt classification and allowance for loans and advances to customers are made in accordance with Circular 11 as described in Note IV(7).

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

### a) *Debt classification*

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

- Lending;
  - Finance lease;
  - Discounting, rediscounting of negotiable instruments and other securities;
  - Factoring;
  - Credit extension by issuance of credit cards;
  - Payments on-behalf under off-balance sheet commitments;
  - Purchase and entrustment to purchase unlisted corporate bonds;
  - Entrustment for credit granting;
  - Making deposits (except for checking deposits and deposits made at Vietnam Bank for Social Policies in accordance with the regulations of the SBV on the maintenance of balance of deposits at Vietnam Bank for Social Policies by state-owned credit institutions) at credit institutions and foreign bank branches as prescribed by law, and making deposits at overseas credit institutions;
  - Purchase and sale debts;
  - Purchase and sale of Government bonds on securities market;
  - Purchase of promissory notes, bills, certificates of deposit issued by other credit institutions
- is stipulated in Article 10 of Circular 11.

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

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

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

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

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

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

The Bank has adopted Circular No. 02/2023/TT-NHNN dated 23 April 2023 ("Circular 02") issued by the SBV on providing regulations on rescheduling 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 the Bank as being unable to repay the principal and/or interest on schedule under the signed loan contract, agreement due to decrease in revenue or income compared to that in the plan for repayment of loan principals and/or interests under the contract or agreement; and evaluated by the Bank as being able to pay off the loan principal and/or interest on the rescheduled due date and not in violation of laws;

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

#### **b) Specific allowance for credit risks**

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

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

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

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:

<b>Types of collateral assets</b>	<b>Discount rates</b>
(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**

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

<b>Additional allowance</b>	<b>Deadline</b>
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 debts balance at the last day of each month for debts classified from debts group 1 to debts 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 separate 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(7).

## 8. **Derivative financial instruments**

a) **Currency derivative contracts**

The Bank 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 the Bank.

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

The currency swap contracts are 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 separate statement of financial position. This difference is amortised to the separate statement of income on a straight-line basis over the term of the swap contracts.

**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 separate statement of financial position. Arising income and expenses due to interest rate effects are recognised on an accrual basis in the separate 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 separate 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 separate statement of income.

**9. Tangible fixed assets**

**a) Cost**

Tangible fixed assets are stated at cost less accumulated depreciation. The initial cost of a tangible fixed asset comprises its purchase price, including import duties and non-refundable purchase taxes and any directly attributable costs of bringing the asset to its working condition and location for its intended use. Expenditure incurred after the tangible fixed assets have been put into operation, such as repairs and maintenance and overhaul costs, is charged to the separate 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

## 10. Intangible fixed assets

### *Software*

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

### *Land use rights*

Land use rights are stated at cost less accumulated amortisation. The initial cost of 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.

## 11. 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:

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

## 12. Provision

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

## 13. Deposits from customers

Deposits from customers are stated at cost.



#### 14. Valuable papers issued

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

#### 15. Other payables

Other payables are stated at cost.

#### 16. Share capital

##### *Ordinary shares*

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

##### *Share premium*

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

#### 17. Reserves and funds

According to Decree No. 93/2017/ND-CP dated 7 August 2017 issued by the Government of Vietnam 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.

#### 18. Bonus and welfare fund

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

## 19. Revenue and other income

### a) *Interest income*

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

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

### b) *Fee and commission income*

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

### c) *Income from investing activities*

Income from trading of securities is recognised in the separate 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 separate statement of income when the Bank's right to receive dividend is established.

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

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

## 20. Interest expenses

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

## 21. Fee and commission expenses

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

## 22. Operating lease payments

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

## 23. Taxation

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

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted at the end of the 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.

## 24. Related parties

Related parties of the Bank include:

- The subsidiaries of the Bank;
- Management or members of the Supervisory Board of the Bank;
- Individuals, organisations that hold at least 5% of charter capital or share capital with voting rights of the Bank;
- Wives, husbands, parents, children, siblings of managers or members of the Supervisory Board, capital contributors or shareholders who hold at least 5% of charter capital or share capital with voting rights of the Bank;
- Enterprises held directly or indirectly by such individuals hold an important part of voting rights, or through this 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 the Bank;
- Representatives for the Bank's capital contribution and shares purchase.

## 25. Commitments and contingent liabilities

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

## 26. Financial instruments

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

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

*Held-to-maturity investments*

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

- financial assets that, upon initial recognition, were categorised by the Bank as financial assets at fair value through profit or loss;
- financial assets already categorised by the Bank 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 the Bank 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 the Bank, upon initial recognition, designates as available-for-sale; or
- for which the Bank may not recover substantially all of its initial investment, other than because of credit deterioration, which are classified as assets available-for-sale.

*Available-for-sale financial assets*

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

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

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

*Financial liabilities carried at amortised cost*

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

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

**27. Comparative information**

Comparative information in these separate 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 separate financial statements is not intended to present the Bank's unconsolidated financial position, unconsolidated results of operation or unconsolidated cash flows for the prior year.

**28. 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	683,570	864,214
Cash on hand in foreign currencies	141,070	172,741
Gold	26,628	821
	<b>851,268</b>	<b>1,037,776</b>

### 2. Balances with the State Bank of Vietnam

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

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

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

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

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

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

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

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

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

	<b>31/12/2023</b>		<b>31/12/2022</b>	
	<b>Term</b>	<b>Interest rate per annum</b>	<b>Term</b>	<b>Interest rate per annum</b>
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:

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

### Loans portfolio by quality:

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

### Loans portfolio by term:

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

### Loans portfolio by currency:

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

### Year-end annual interest rates were as follows:

	<b>31/12/2023</b>	<b>31/12/2022</b>
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 VND million	31/12/2022 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	58,865,732	55,411,304
Other limited liability companies	77,733,817	55,020,221
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	34,084,482	33,725,951
Others	7,460	2,475
	<b>176,077,943</b>	<b>149,226,760</b>

**Loan portfolio by industry sectors was as follows:**

	31/12/2023 VND million	31/12/2022 VND million
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, banking and insurance services	3,486,303	3,308,279
Real estate	9,160,475	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	34,084,483	33,725,951
Other service activities	14,318,664	15,778,486
	<b>176,077,943</b>	<b>149,226,760</b>

## 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)	1,304,725	1,106,290
Specific allowance (ii)	1,484,176	1,170,275
	<b>2,788,901</b>	<b>2,276,565</b>

(i) Movements in general allowance were as follows:

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

(ii) Movements in specific allowance were as follows:

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

## 7. Investment securities

### a. Available-for-sale securities

	31/12/2023 VND million	31/12/2022 VND million
<b>Debt securities</b>		
- 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
	<b>13,953,491</b>	<b>7,869,250</b>

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
Government bonds	7 years - 30 years	2.20% - 6.50%	7 years - 30 years	2.10% - 6.60%
Bonds issued by local credit institutions	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%

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

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

**b. Held-to-maturity securities**

	<b>31/12/2023</b>	<b>31/12/2022</b>
	<b>VND million</b>	<b>VND million</b>
Bonds issued by local economics entities	319,364	319,364

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

	<b>31/12/2023</b>	<b>31/12/2022</b>
	<b>VND million</b>	<b>VND million</b>
Current debts	-	319,364
Sub-standard debts	319,364	-
	<b>319,364</b>	<b>319,364</b>

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

	<b>31/12/2023</b>		<b>31/12/2022</b>	
	<b>Term</b>	<b>Interest rate</b>	<b>Term</b>	<b>Interest rate</b>
Bonds issued by local economics entities	10 years	8.90%	10 years	8.90%

**c. Allowance for investment securities**

	<b>31/12/2023</b>	<b>31/12/2022</b>
	<b>VND million</b>	<b>VND million</b>
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 (i)	63,873	-
	<b>68,143</b>	<b>4,270</b>

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

	<b>2023</b>	<b>2022</b>
	<b>VND million</b>	<b>VND million</b>
Opening balance	-	-
Allowance made during the year (Note V.25)	63,873	-
<b>Closing balance</b>	<b>63,873</b>	<b>-</b>

## 8. Long-term investments

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

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

	31/12/2023		31/12/2022	
	Cost VND million	%	Cost VND million	%
SeABank Asset Management Company Limited	500,000	100%	500,000	100%
Post and Telecommunication Finance Company Limited	1,760,000	100%	1,260,000	100%
	<b>2,260,000</b>		<b>1,760,000</b>	

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

	31/12/2023		31/12/2022	
	Cost VND million	%	Cost VND million	%
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%
	<b>59,070</b>		<b>59,070</b>	

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

	2023 VND million	2022 VND million
Opening balance	1,119	1,443
Reversed during the year (Note V.28)	(579)	(324)
<b>Closing balance</b>	<b>540</b>	<b>1,119</b>

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

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
<b>Cost</b>						
Opening balance	18,128	258,788	290,050	96,111	12,356	675,433
New purchases	1,153	60,439	106,720	20,234	10,879	199,425
Disposals	(206)	-	(1,108)	(502)	(885)	(2,701)
<b>Closing balance</b>	<b>19,075</b>	<b>319,227</b>	<b>395,662</b>	<b>115,843</b>	<b>22,350</b>	<b>872,157</b>
<b>Accumulated depreciation</b>						
Opening balance	5,081	142,865	158,941	73,999	8,790	389,676
Charge for the year	967	19,515	28,133	9,643	1,801	60,059
Disposals	(206)	-	(1,074)	(502)	(886)	(2,668)
<b>Closing balance</b>	<b>5,842</b>	<b>162,380</b>	<b>186,000</b>	<b>83,140</b>	<b>9,705</b>	<b>447,067</b>
<b>Net book value</b>						
Opening balance	13,047	115,923	131,109	22,112	3,566	285,757
Closing balance	13,233	156,847	209,662	32,703	12,645	425,090

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



## 10. Intangible fixed assets

*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
<b>Cost</b>				
Opening balance	384,373	456,578	8,156	849,107
New purchases	-	101,542	-	101,542
<b>Closing balance</b>	<b>384,373</b>	<b>558,120</b>	<b>8,156</b>	<b>950,649</b>
<b>Accumulated amortisation</b>				
Opening balance	-	188,543	4,662	193,205
Charge for the year	-	40,361	1,064	41,425
<b>Closing balance</b>	<b>-</b>	<b>228,904</b>	<b>5,726</b>	<b>234,630</b>
<b>Net book value</b>				
Opening balance	384,373	268,035	3,494	655,902
Closing balance	384,373	329,216	2,430	716,019

*For the year ended 31 December 2022*

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

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

## 11. Other assets

	31/12/2023 VND million	31/12/2022 VND million
<b>Receivables</b>	<b>6,802,965</b>	<b>5,963,308</b>
Internal receivables	439,452	932,829
External receivables	6,363,513	5,030,479
<b>Interest and fee receivables</b>	<b>3,277,171</b>	<b>2,503,670</b>
<b>Other assets</b>	<b>2,056,959</b>	<b>1,376,226</b>
Allowance for other on-balance sheet assets (i)	(27,675)	(27,393)
	<b>12,109,420</b>	<b>9,815,811</b>

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

	2023 VND million	2022 VND million
Opening balance	27,393	28,057
Allowance made/(reversed) during the year (Note V.28)	282	(664)
<b>Closing balance</b>	<b>27,675</b>	<b>27,393</b>

## 12. 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
	<b>2,538,637</b>	<b>3,838,696</b>

### 13. Deposits and borrowings from other credit institutions

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

- (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%

#### 14. Deposits from customers

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

#### 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	8,891,904	8,070,459
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
	<b>145,225,061</b>	<b>115,550,779</b>

#### 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%

## 15. Derivatives and other financial liabilities

	Total contract value (at exchange rate as of contract effective date) VND million	Net book value (at exchange rate as of reporting date)		
		Assets	Liabilities	Net value
		VND million	VND million	VND million
<b>As at 31 December 2023</b>				
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
	<b>102,678,065</b>	<b>102,993,784</b>	<b>103,100,915</b>	<b>(107,131)</b>
<b>As at 31 December 2022</b>				
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)
	<b>115,730,290</b>	<b>115,915,372</b>	<b>115,930,335</b>	<b>(14,963)</b>

## 16. Valuable papers issued

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

Year-end annual interest rates were as follows:

	31/12/2023	31/12/2022
<b>Term bonds</b>		
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%
<b>Certificates of deposits</b>	6.00% - 8.80%	3.70% - 9.50%

## 17. Other liabilities

	<b>31/12/2023</b>	<b>31/12/2022</b>
	<b>VND million</b>	<b>VND million</b>
Internal payables	7,259	11,357
External payables	4,614,516	4,331,737
In which:		
- <i>Accrued interest and fee payables</i>	3,769,648	3,644,040
- <i>Deferred income</i>	328	517
- <i>Taxes and others payable to State Treasury (Notes V.31)</i>	577,126	408,211
- <i>Other payables</i>	267,414	278,969
Bonus and welfare fund	144,982	66,308
	<b>4,766,757</b>	<b>4,409,402</b>

## 18. Owners' equity

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

*For the year ended 31 December 2023*

	Charter capital VND million	Share premium VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Retained earnings VND million	Total VND million
<b>Balance at 1 January 2023</b>	<b>20,402,983</b>	<b>1,204,184</b>	<b>915,527</b>	<b>195,340</b>	<b>3,522,673</b>	<b>26,240,707</b>
Profit for the year	-	-	-	-	3,710,081	3,710,081
Increase of capital from shares 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	-	-	371,008	185,504	(556,512)	-
Appropriation to bonus and welfare fund	-	-	-	-	(116,000)	(116,000)
<b>Balance at 31 December 2023</b>	<b>24,957,000</b>	<b>106,167</b>	<b>1,286,535</b>	<b>380,844</b>	<b>3,608,242</b>	<b>30,338,788</b>

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
<b>Balance at 1 January 2022</b>	14,784,884	810,623	526,077	287,615	2,420,993	18,830,192
Profit for the year	-	-	-	-	3,894,486	3,894,486
Increase of capital from shares issued 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	-	-	389,450	194,724	(584,174)	-
Appropriation to bonus and welfare fund	-	-	-	-	(92,000)	(92,000)
Other decreases	-	-	-	-	(2,644)	(2,644)
<b>Balance at 31 December 2022</b>	<b>20,402,983</b>	<b>1,204,184</b>	<b>915,527</b>	<b>195,340</b>	<b>3,522,673</b>	<b>26,240,707</b>



## Share capital

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

All ordinary shares of the Bank have a par value of VND10,000. Each share is entitled to one vote at shareholders meetings of the Bank. Share dividends are issued to existing shareholders using the method of exercise rights. All ordinary shares are ranked equally with regard to the Bank's residual assets.

## 19. 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.

## 20. Interest and similar income

	2023 VND million	2022 VND million
Interest income from deposits	1,494,874	861,090
Interest income from loans	16,776,171	12,682,880
Interest income from investments in securities	858,849	746,306
Income from guarantee services	105,059	102,285
Other income from credit activities	142,139	109,098
	<b>19,377,092</b>	<b>14,501,659</b>

## 21. Interest and similar expenses

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

## 22. Net fee and commission income

	2023 VND million	2022 VND million
<b>Fee and commission income</b>	<b>1,485,514</b>	<b>1,468,636</b>
- Settlement and cash services	1,014,792	325,607
- Treasury services	3,718	6,971
- Insurance agency services	173,661	533,564
- Other services	293,343	602,494
<b>Fee and commission expenses</b>	<b>(205,931)</b>	<b>(227,637)</b>
- Settlement and cash services	(89,644)	(81,601)
- Treasury services	(19,372)	(21,384)
- Other services	(96,915)	(124,652)
<b>Net fee and commission income</b>	<b>1,279,583</b>	<b>1,240,999</b>

## 23. Net gain from trading of foreign currencies

	2023 VND million	2022 VND million
<b>Income from trading of foreign currencies</b>	<b>2,836,194</b>	<b>2,354,891</b>
- 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
<b>Expenses for trading of foreign currencies</b>	<b>(2,233,724)</b>	<b>(2,131,005)</b>
- 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)
<b>Net gain from trading of foreign currencies</b>	<b>602,470</b>	<b>223,886</b>

## 24. 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
<b>Net gain from held-for-trading securities</b>	<b>109,180</b>	<b>228,111</b>

## 25. 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 (made)/reversed for investment securities	(63,873)	39,056
<b>Net gain from investment securities</b>	<b>144,207</b>	<b>636,720</b>

## 26. Net other income

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

## 27. Income from capital contribution, share purchase

	2023 VND million	2022 VND million
Dividends received from capital contribution, share purchase	14,358	7,893
Profit distributed from the subsidiary	29,649	-
	<b>44,007</b>	<b>7,893</b>

## 28. Operating expenses

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

## 29. Corporate income tax

	2023 VND million	2022 VND million
<b>Accounting profit before tax</b>	<b>4,627,134</b>	<b>4,866,655</b>
<i>Adjustments for:</i>		
- Dividend income and other tax-exempted income	(44,007)	(7,893)
- Non-deductible expenses	2,138	2,084
<b>Taxable profit</b>	<b>4,585,265</b>	<b>4,860,846</b>
Corporate income tax rate	20%	20%
<b>Corporate income tax expense</b>	<b>917,053</b>	<b>972,169</b>

### 30. Cash and cash equivalents

	31/12/2023 VND million	31/12/2022 VND million
Cash and gold	851,268	1,037,776
Balances with the SBV	2,784,593	9,280,904
Current accounts at other CIs	8,462,374	7,711,185
Term deposits at other CIs with terms of not exceeding 3 months	41,645,650	37,276,280
	<b>53,743,885</b>	<b>55,306,145</b>

### 31. 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	11,653	78,884	68,614	21,923
Corporate income tax	389,310	917,053	760,130	546,233
Personal income tax	7,248	146,569	144,847	8,970
Other taxes	-	59,197	59,197	-
	<b>408,211</b>	<b>1,201,703</b>	<b>1,032,788</b>	<b>577,126</b>

*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	20,265	104,252	112,864	11,653
Corporate income tax	270,169	972,169	853,028	389,310
Personal income tax	7,372	153,650	153,774	7,248
Other taxes	-	35,834	35,834	-
	<b>297,806</b>	<b>1,265,905</b>	<b>1,155,500</b>	<b>408,211</b>

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

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

	<b>Total loans to customers and other CIS VND million</b>	<b>Total deposits from customers and other CIS VND million</b>	<b>Contingent credit commitments VND million</b>	<b>Derivatives and other financial liabilities (net) VND million</b>	<b>Held- for-trading securities and investment securities VND million</b>
Domestic	178,637,341	193,889,938	11,814,794	107,131	22,626,091
Overseas	331,152	36,440	-	-	-
	<b>178,968,493</b>	<b>193,926,378</b>	<b>11,814,794</b>	<b>107,131</b>	<b>22,626,091</b>

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

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

### 33. Significant transactions and balances with related parties

The following related parties had transactions and/or balances with the Bank at year-end as follows:

<i>Related parties</i>	<i>Relationship</i>
SeABank Asset Management Company Limited	Subsidiary
Post and Telecommunication Finance Company Limited	Subsidiary
Thang Long GTC Joint Stock Company	Common members of BOD
BRG Group Joint Stock Company (“BRG”) and its subsidiaries	Common members of BOD
Vietnam Engine and Agricultural Machinery Corporation and its subsidiaries	Common members of BOD
Vietnam Aircraft Leasing Joint Stock Company	Common members of BOD
North Hanoi Smart City Development Investment Joint Stock Company	Common members of BOD

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

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

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

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

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



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

	2023 VND million	2022 VND million
<b>Remuneration of the Board of Directors' member</b>	<b>22,308</b>	<b>15,163</b>
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
<b>Remuneration of the Supervisory Board</b>	<b>3,846</b>	<b>2,160</b>
<b>Salary of the General Director and other managers</b>	<b>31,497</b>	<b>29,083</b>

### 34. 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 VND million	31/12/2022 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
	<b>311,378,300</b>	<b>269,051,139</b>

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

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

### 35. 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	6,389,232	(280,286)	6,108,946
Interest rate swaps	7,974,600	-	7,974,600	7,759,570	-	7,759,570

#### b. Uncollected loan interest and fees

	31/12/2023 VND million	31/12/2022 VND million
Loan interest not yet collected	2,146,059	1,642,443
Held-to-maturity bond interest not yet collected	86,127	-
Fees not yet collected	37	-
	<b>2,232,223</b>	<b>1,642,443</b>

#### c. Written-off bad debts

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

#### 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
	<b>1,489,332</b>	<b>1,534,181</b>

### 36. Employee benefits

	2023 VND million	2022 VND million
Average number of employees (persons)	5,158	4,850
Employees' income (VND million)	1,613,820	1,542,139
Bonus and incentives (VND million)	25,449	27,785
	1,639,269	1,569,924
Average monthly income (VND million/person/month)	26.48	26.97

## VI. Financial risk management

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

### 1. Interest rate risk

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

The following table presents assets and liabilities of the Bank 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
<b>Assets</b>									
Cash and gold	851,268	-	-	-	-	-	-	-	851,268
Balances with the SBV	2,784,593	-	-	-	-	-	-	-	2,784,593
Balances with and loans to other CIs - gross	25,106,394	-	21,896,630	3,105,000	-	2,890,550	-	-	52,998,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	-	-	-	8,353,236
Loans and advances to customers - gross	-	4,715,871	45,003,609	68,881,181	39,474,332	14,497,087	3,404,606	101,257	176,077,943
Investment securities - gross	-	319,364	42,002	250,000	311,002	9,996	6,153,449	7,187,042	14,272,855
Long-term investments - gross	2,319,070	-	-	-	-	-	-	-	2,319,070
Fixed assets	1,265,655	-	-	-	-	-	-	-	1,265,655
Other assets - gross	12,137,095	-	-	-	-	-	-	-	12,137,095
<b>Total assets</b>	<b>44,464,075</b>	<b>5,035,235</b>	<b>75,295,477</b>	<b>72,236,181</b>	<b>39,785,334</b>	<b>17,397,633</b>	<b>9,558,055</b>	<b>7,288,299</b>	<b>271,060,289</b>
<b>Liabilities</b>									
Amounts due to the Government and the SBV	-	-	439,123	28,361	68,086	2,003,067	-	-	2,538,637
Deposits and borrowings from other CIs	25,758,417	-	21,159,449	3,338,524	1,150,304	3,966,762	8,127,100	4,852,000	68,352,556
Deposits from customers	-	-	43,630,671	27,662,404	46,867,682	23,332,382	3,731,635	287	145,225,061
Derivative and other financial liabilities	107,948	-	1,323	33	347	-	(2,520)	-	107,131
Valuable papers issued	-	-	-	2,610,200	1,960,400	9,624,300	2,651,200	-	16,846,100
Other liabilities	4,766,757	-	-	-	-	-	-	-	4,766,757
<b>Total liabilities</b>	<b>30,633,122</b>	-	<b>65,230,566</b>	<b>33,639,522</b>	<b>50,046,819</b>	<b>38,926,511</b>	<b>14,507,415</b>	<b>4,852,287</b>	<b>237,836,242</b>
<b>Interest sensitivity gap on-balance sheet</b>	<b>13,830,953</b>	<b>5,035,235</b>	<b>10,064,911</b>	<b>38,596,659</b>	<b>(10,261,485)</b>	<b>(21,528,878)</b>	<b>(4,949,360)</b>	<b>2,436,012</b>	<b>33,224,047</b>
<b>Interest sensitivity gap off-balance sheet</b>	-	-	-	-	-	-	2,520	-	2,520
<b>Interest sensitivity gap on and off- balance sheet</b>	<b>13,830,953</b>	<b>5,035,235</b>	<b>10,064,911</b>	<b>38,596,659</b>	<b>(10,261,485)</b>	<b>(21,528,878)</b>	<b>(4,946,840)</b>	<b>2,436,012</b>	<b>33,226,567</b>

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
<b>Assets</b>									
Cash and gold	1,037,776	-	-	-	-	-	-	-	1,037,776
Balances with the SBV	9,280,904	-	-	-	-	-	-	-	9,280,904
Balances with and loans to other CIs - gross	7,711,185	-	23,667,000	13,915,225	150,000	3,150,000	-	-	48,593,410
Held-for-trading securities - gross	-	-	5,407,085	-	-	-	-	-	5,407,085
Loans and advances to customers - gross	-	2,567,814	33,056,813	51,818,670	38,053,871	19,117,571	4,336,532	275,489	149,226,760
Investment securities - gross	-	-	-	699,485	300,000	1,819,823	2,481,556	2,887,750	8,188,614
Long-term investments - gross	1,819,070	-	-	-	-	-	-	-	1,819,070
Fixed assets	1,080,992	-	-	-	-	-	-	-	1,080,992
Other assets - gross	9,843,204	-	-	-	-	-	-	-	9,843,204
<b>Total assets</b>	<b>30,773,131</b>	<b>2,567,814</b>	<b>62,130,898</b>	<b>66,433,380</b>	<b>38,503,871</b>	<b>24,087,394</b>	<b>6,818,088</b>	<b>3,163,239</b>	<b>234,477,815</b>
<b>Liabilities</b>									
Amounts due to the Government and the SBV	-	-	1,700,330	53,201	68,086	2,017,079	-	-	3,838,696
Deposits and borrowings from other CIs	8,119,290	-	25,815,862	13,816,634	533,192	3,500,593	6,470,750	2,353,000	60,609,321
Deposits from customers	-	-	29,723,855	21,353,798	40,006,567	17,443,011	7,023,528	20	115,550,779
Derivative and other financial liabilities	14,963	-	-	-	-	-	-	-	14,963
Valuable papers issued	-	-	-	-	3,200,000	2,800,000	15,504,600	-	21,504,600
Other liabilities	4,409,402	-	-	-	-	-	-	-	4,409,402
<b>Total liabilities</b>	<b>12,543,655</b>	-	<b>57,240,047</b>	<b>35,223,633</b>	<b>43,807,845</b>	<b>25,760,683</b>	<b>28,998,878</b>	<b>2,353,020</b>	<b>205,927,761</b>
<b>Interest sensitivity gap on -balance sheet</b>	<b>18,229,476</b>	<b>2,567,814</b>	<b>4,890,851</b>	<b>31,209,747</b>	<b>(5,303,974)</b>	<b>(1,673,289)</b>	<b>(22,180,790)</b>	<b>810,219</b>	<b>28,550,054</b>
<b>Interest sensitivity gap off -balance sheet</b>	-	-	-	-	-	(34,730)	-	-	(34,730)
<b>Interest sensitivity gap on and off- balance sheet</b>	<b>18,229,476</b>	<b>2,567,814</b>	<b>4,890,851</b>	<b>31,209,747</b>	<b>(5,303,974)</b>	<b>(1,708,019)</b>	<b>(22,180,790)</b>	<b>810,219</b>	<b>28,515,324</b>

## 2. Currency risk

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

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

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

As at 31 December 2023

	EUR VND million	USD VND million	Other currencies VND million	Total VND million
<b>Assets</b>				
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
<b>Total assets</b>	<b>47,615</b>	<b>17,844,946</b>	<b>97,077</b>	<b>17,989,638</b>
<b>Liabilities</b>				
Deposits and borrowings from other CIs	-	16,027,459	701	16,028,160
Deposits from customers	47,406	1,453,957	34,081	1,535,444
Other liabilities	579	403,821	13,099	417,499
<b>Total liabilities</b>	<b>47,985</b>	<b>17,885,237</b>	<b>47,881</b>	<b>17,981,103</b>
<b>FX position on-balance sheet</b>	<b>(370)</b>	<b>(40,291)</b>	<b>49,196</b>	<b>8,535</b>
<b>FX position off-balance sheet</b>	<b>5,395</b>	<b>(8,693)</b>	<b>3,312</b>	<b>14</b>
<b>Total FX position on and off-balance sheet</b>	<b>5,025</b>	<b>(48,984)</b>	<b>52,508</b>	<b>8,549</b>

As of 31 December 2022

	EUR VND million	USD VND million	Other currencies VND million	Total VND million
<b>Assets</b>				
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
<b>Total assets</b>	<b>96,834</b>	<b>14,792,426</b>	<b>60,156</b>	<b>14,949,416</b>
<b>Liabilities</b>				
Deposits and borrowings from other CIs	-	12,782,509	2,967	12,785,476
Deposits from customers	96,288	1,826,265	38,620	1,961,173
Other liabilities	992	216,953	521	218,466
<b>Total liabilities</b>	<b>97,280</b>	<b>14,825,727</b>	<b>42,108</b>	<b>14,965,115</b>
<b>FX position on-balance sheet</b>	<b>(446)</b>	<b>(33,301)</b>	<b>18,048</b>	<b>(15,699)</b>
<b>FX position off-balance sheet</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total FX position on and off-balance sheet</b>	<b>(446)</b>	<b>(33,301)</b>	<b>18,048</b>	<b>(15,699)</b>

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

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



### 3. Credit risk

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

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

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

<b>As of 31 December 2023</b>	<b>Neither past due nor allowance required VND million</b>	<b>Past due but no allowance required VND million</b>	<b>Allowance made VND million</b>	<b>Total VND million</b>
Balances with the SBV	2,784,593	-	-	2,784,593
Deposits with and loans to other CIs - gross	52,998,574	-	-	52,998,574
Held-for-trading securities - gross	8,353,236	-	-	8,353,236
Loans to customers - gross	168,733,295	1,789,671	5,554,977	176,077,943
Investment securities - gross	13,953,491	-	319,364	14,272,855
Other financial assets - gross	10,052,461	-	27,675	10,080,136
	<b>256,875,650</b>	<b>1,789,671</b>	<b>5,902,016</b>	<b>264,567,337</b>

<b>As of 31 December 2022</b>	<b>Neither past due nor allowance required VND million</b>	<b>Past due but no allowance required VND million</b>	<b>Allowance made VND million</b>	<b>Total VND million</b>
Balances with the SBV	9,280,904	-	-	9,280,904
Deposits with and loans to other CIs - gross	48,593,410	-	-	48,593,410
Held-for-trading securities - gross	5,407,085	-	-	5,407,085
Loans to customers - gross	143,952,107	812,693	4,461,960	149,226,760
Investment securities - gross	8,188,614	-	-	8,188,614
Other financial assets - gross	8,439,585	-	27,393	8,466,978
	<b>223,861,705</b>	<b>812,693</b>	<b>4,489,353</b>	<b>229,163,751</b>

#### **4. Liquidity risk**

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

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

	Overdue		Current			Total
	Up to 3 months	Over 3 months	Up to 1 month	From over 1 month to 3 months	From over 1 year to 5 years	
<b>As of 31 December 2023</b>						
<b>(VND million)</b>						
<b>Assets</b>						
Cash and gold	-	-	851,268	-	-	851,268
Balances with the SBV	-	-	2,784,593	-	-	2,784,593
Balances with and loans to other CIs - gross	-	-	47,003,024	3,105,000	-	52,998,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	8,353,236
Loans and advances to customers - gross	1,464,395	3,251,476	11,246,559	81,339,640	15,625,032	176,077,943
Investment securities - gross	319,364	-	42,001	320,998	865,315	14,272,855
Long-term investments - gross	-	-	-	-	2,319,070	2,319,070
Fixed assets	-	-	-	-	1,265,655	1,265,655
Other assets - gross	-	-	585,558	6,788,064	1,137,713	12,137,095
<b>Total assets</b>	<b>1,783,759</b>	<b>3,251,476</b>	<b>70,866,239</b>	<b>17,592,275</b>	<b>53,248,052</b>	<b>271,060,289</b>
<b>Liabilities</b>						
Amounts due to the Government and the SBV	-	-	439,123	28,361	-	2,538,637
Deposits and borrowings from other CIs	-	-	46,917,866	3,338,524	8,127,100	68,352,556
Deposits from customers	-	-	43,630,671	27,662,404	3,731,635	145,225,061
Valuable papers issued	-	-	13,061	92,182	(2,520)	107,131
Derivative and other financial liabilities	-	-	-	2,610,200	2,651,200	16,846,100
Other liabilities	-	-	1,287,130	797,148	103,144	4,766,757
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>92,287,851</b>	<b>34,528,819</b>	<b>14,610,559</b>	<b>237,836,242</b>
<b>Net liquidity gap</b>	<b>1,783,759</b>	<b>3,251,476</b>	<b>(21,421,612)</b>	<b>(16,936,544)</b>	<b>(92,922)</b>	<b>33,224,047</b>



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

## 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 separate financial statements

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

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

