



Southeast Asia Commercial Joint Stock Bank

**Consolidated Interim Financial Statements
for the six-month period ended 30 June 2024**



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 presents this statement and the accompanying consolidated interim financial statements of the Bank and its subsidiaries (collectively referred to as “SeABank”) for the six-month period ended 30 June 2024.

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

- (a) the consolidated interim financial statements set out on pages 4 to 71 give a true and fair view of the consolidated financial position of SeABank as at 30 June 2024 and their consolidated results of operations and their consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to interim financial reporting; and
- (b) at the date of this statement, there are no reasons for the Board of Management to believe that the Bank or its subsidiaries will not be able to pay their debts as and when they fall due.

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

On behalf of the Board of Management,



Nguyễn Thị Thu Hương
Deputy General Director

Hanoi, 14 August 2024



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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Southeast Asia Commercial Joint Stock Bank

We have audited the accompanying consolidated interim financial statements of Southeast Asia Commercial Joint Stock Bank (“the Bank”) and its subsidiaries (collectively referred to as “SeABank”), which comprise the consolidated statements of financial position as at 30 June 2024, the consolidated statements of income and consolidated statements of 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 14 August 2024, as set out on pages 4 to 71.

Management’s Responsibility

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

Auditor’s Responsibility

Our responsibility is to express a conclusion on these consolidated interim financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review engagements 2410 - *Review of interim financial information performed by the independent auditor of the entity*.

A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Vietnamese Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.



Auditor's Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying consolidated interim financial statements do not give a true and fair view, in all material respects, of the consolidated financial position of Southeast Asia Commercial Joint Stock Bank as at 30 June 2024 and of its consolidated results of operations and consolidated cash flows for the six-month period then ended in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to interim financial reporting.

KPMG Limited

Vietnam

Review Report No. 24-02-00184-24-2



Đàm Xuân Lam
Practicing Auditor Registration
Certificate No. 0861-2023-007-1
Deputy General Director

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

Hanoi, 14 August 2024

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

As at 30 June 2024

No.	Items	Note	30/06/2024 VND million	31/12/2023 VND million
A	ASSETS			
I	Cash and gold on hand	V.1	890,478	851,299
II	Balances with the State Bank of Vietnam (“SBV”)	V.2	5,290,439	2,799,895
III	Balances with and loans to other credit institutions (“CIs”)	V.3	54,967,471	48,698,574
1	Balances with other CIs		50,449,715	45,808,024
2	Loans to other CIs		4,517,756	2,890,550
IV	Held-for-trading securities	V.4	4,250,418	8,353,236
1	Held-for-trading securities		4,250,418	8,353,236
VI	Loans and advances to customers		183,236,845	176,773,874
1	Loans and advances to customers	V.5	185,958,901	179,751,893
2	Allowance for loans and advances to customers	V.6	(2,722,056)	(2,978,019)
VIII	Investment securities		16,992,347	14,286,766
1	Available-for-sale securities	V.7a	9,992,329	14,035,545
2	Held-to-maturity securities	V.7b	7,350,476	350,458
3	Allowance for investment securities	V.7c	(350,458)	(99,237)
IX	Long-term investments	V.8	62,069	61,892
4	Other long-term investments		62,432	62,432
5	Allowance for diminution in value of long-term investments		(363)	(540)
X	Fixed assets		1,221,080	1,269,298
1	Tangible fixed assets	V.9	508,702	551,265
	- Cost		1,082,796	1,082,873
	- Accumulated depreciation		(574,094)	(531,608)
3	Intangible fixed assets	V.10	712,378	718,033
	- Cost		973,093	955,941
	- Accumulated amortisation		(260,715)	(237,908)
XI	Investment property	V.11	55,220	56,584
	- Cost		63,400	64,177
	- Accumulated depreciation		(8,180)	(7,593)
XII	Other assets	V.12	13,691,584	12,970,497
1	Receivables		7,762,490	7,092,858
2	Accrued interest and fee receivables		3,323,995	3,318,857
4	Other assets		2,634,665	2,588,785
	- In which: Goodwill	V.13	302,623	338,226
5	Allowance for other on-balance sheet assets		(29,566)	(30,003)
	TOTAL ASSETS		280,657,951	266,121,915

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)

As at 30 June 2024

No.	Items	Note	30/06/2024 VND million	31/12/2023 VND million
B	LIABILITIES AND OWNERS' EQUITY			
I	Amounts due to the Government and the SBV		2,087,066	2,538,637
1	Deposits and borrowings from the Government and the SBV	V.14	2,087,066	2,538,637
II	Deposits and borrowings from other CIs	V.15	80,855,868	66,698,038
1	Deposits from other CIs		52,002,080	47,046,799
2	Borrowings from other CIs		28,853,788	19,651,239
III	Deposits from customers	V.16	149,453,325	144,840,006
IV	Derivative and other financial liabilities	V.17	31,441	107,131
V	Other borrowed and entrusted funds		1,020	1,020
VI	Valuable papers issued	V.18	11,473,300	16,846,100
VII	Other liabilities	V.19	3,987,263	4,794,144
1	Accrued interest and fee payables		2,971,807	3,743,466
3	Other liabilities		1,015,456	1,050,678
	TOTAL LIABILITIES		247,889,283	235,825,076
VIII	Owners' equity	V.20	32,768,668	30,296,839
1	Capital		25,063,167	25,063,167
a	- Charter capital		24,957,000	24,957,000
c	- Share premium		106,167	106,167
2	Reserves		1,715,339	1,715,339
4	Foreign exchange differences		(1,279)	-
5	Retained earnings		5,991,441	3,518,333
	TOTAL OWNERS' EQUITY		32,768,668	30,296,839
	TOTAL LIABILITIES AND OWNERS' EQUITY		280,657,951	266,121,915

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

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (continued)

As at 30 June 2024

OFF-BALANCE SHEET ITEMS

No.	Items	Note	30/06/2024 VND million	31/12/2023 VND million
2	Foreign exchange commitments			
	<i>Foreign currency purchase commitments</i>	V.37	659,438	8,707
	<i>Foreign currency sale commitments</i>	V.37	2,546,141	8,693
	<i>Currency swaps - purchase commitments</i>	V.37	55,468,881	38,549,140
	<i>Currency swaps - sale commitments</i>	V.37	37,955,730	25,783,528
4	Letters of credit	V.37	7,101,233	6,602,763
5	Other guarantees (warranty guarantee, performance guarantee, advance guarantee)	V.37	5,331,206	5,212,031
6	Interest rate swap contracts		8,144,462	7,974,600
7	Uncollected loan interest and fees		3,596,026	3,674,843
8	Written-off bad debts		6,166,881	5,012,050
9	Other items and documents		1,395,256	1,489,332

14 August 2024

Prepared by:



Nghiem Thi Thu Nga

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

CONSOLIDATED STATEMENTS OF INCOME
for the six-month period ended 30 June 2024

No.	Items	Notes	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
1	Interest and similar income	V.21	10,042,449	9,826,238
2	Interest and similar expenses	V.22	(5,299,154)	(6,522,597)
I.	Net interest income		4,743,295	3,303,641
3	Fee and commission income		430,476	466,075
4	Fee and commission expenses		(98,808)	(101,061)
II.	Net fee and commission income	V.23	331,668	365,014
III.	Net gain from trading of foreign currencies	V.24	406,431	71,443
IV.	Net gain from held-for-trading securities	V.25	68,767	201,799
V.	Net gain from investment securities	V.26	442,516	140,452
5	Other income		112,206	208,622
6	Other expenses		(94,226)	(82,332)
VI.	Net other income	V.27	17,980	126,290
VII.	Gains from capital contribution, share purchase	V.28	839	7,863
VIII.	Operating expenses	V.29	(1,860,638)	(1,683,283)
IX.	Net operating profit before allowance expenses for credit losses		4,150,858	2,533,219
X.	Allowance expenses for credit losses		(912,200)	(516,853)
XI.	Profit before tax		3,238,658	2,016,366
7	Corporate income tax expense - current		(655,540)	(409,055)
XII.	Corporate income tax expense	V.30	(655,540)	(409,055)
XIII.	Net profit after tax		2,583,118	1,607,311
XIV.	Non-controlling interest		-	-
XV.	Basic earnings per share (VND/share)	V.31	1,004	(restated) 631

Prepared by:

Nghiem Thi Thu Nga

14 August 2024

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 interim consolidated financial statements

CONSOLIDATED STATEMENTS OF CASH FLOWS

for the six-month period ended 30 June 2024
(Direct method)

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
NO. CASH FLOWS FROM OPERATING ACTIVITIES		
01. Interest and similar income received	10,037,311	8,946,834
02. Interest and similar expenses paid	(6,070,813)	(6,101,294)
03. Net fees and commission income received	331,515	365,014
04. Net receipts/payments from foreign currencies and securities trading	1,168,935	429,241
05. Other income	(8,111)	92,638
06. Collections of bad debts previously written off	25,990	33,652
07. Payments for personnel and operating expenses	(1,791,712)	(1,623,759)
08. Corporate income tax paid during the period	(688,357)	(584,917)
Net cash flows from operating activities before changes in operating assets and liabilities	3,004,758	1,557,409
<i>Changes in operating assets</i>		
09. Changes in balances with and loans to other credit institutions	(1,627,206)	350,945
10. Changes in securities trading	8,146,034	(7,707,577)
11. Changes in derivatives and other financial assets	(75,690)	(91,854)
12. Changes in loans and advances to customers	(6,207,008)	(7,933,263)
13. Utilisation of allowance for impairment assets	(1,168,163)	(186,414)
14. Changes in other operating assets	(716,801)	(2,919,650)
<i>Changes in operating liabilities</i>		
15. Changes in amounts due to the Government and the SBV	(451,571)	(1,712,253)
16. Changes in deposits and borrowings from other CIs	14,157,830	6,069,971
17. Changes in deposits from customers	4,613,319	7,685,358
18. Changes in valuable papers issued	(5,372,800)	50,500
20. Changes in other operating liabilities	(112,405)	(146,700)
I. Net cash flows from operating activities	14,190,297	(4,983,528)

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

CONSOLIDATED STATEMENTS OF CASH FLOWS (continued)

for the six-month period ended 30 June 2024
(Direct method)

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
NO. CASH FLOWS FROM INVESTING ACTIVITIES		
01. Purchase of fixed assets	(20,735)	(148,225)
02. Receipts from sales, disposal of fixed assets	101	-
04. Purchase of investment property	930	-
09. Receipts of dividends and distributions from capital contribution, long-term investments	839	7,863
II. Net cash flows used in investing activities	(18,865)	(140,362)
IV. Net cash flows during the period	14,171,432	(5,123,890)
V. Cash and cash equivalents at the beginning of the period	49,459,218	52,327,123
VII. Cash and cash equivalents at the end of the period (Note V.32)	63,630,650	47,203,233

14 August 2024

Prepared by:



Nghiem Thi Thu Nga

Reviewed by:



Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

NOTES TO THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

for the six-month period ended 30 June 2024

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

I. Bank information

Banking Operation License No.

0051/QD/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 No. 970/QD-NHNN dated 21 May 2024 of the State Bank of Vietnam.

Business Registration Certificate No.

0200253985 dated 14 January 2005

Business Registration Certificate has been amended several times, the most recent of which is the 38th amendment dated 7 June 2024 issued by Hanoi Department of Planning and Investment.

Board of Directors

Mr. Le Van Tan	Chairman
Ms. Nguyen Thi Nga	Standing Vice Chairwoman
Ms. Le Thu Thuy	Vice Chairwoman
Ms. Khuc Thi Quynh Lam	Vice Chairwoman
Mr. Fergus Macdonald Clark	Independent Member
Mr. Mathew Nevil Welch	Member
Ms. Tran Thi Thanh Thuy	Member (from 17 April 2024)
Ms. Ngo Thi Nhai	Member (until 16 April 2024)

Board of Management

Mr. Le Quoc Long	General Director
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. Hoang Manh Phu	Deputy General Director
Mr. Nguyen Hong Quang	Deputy General Director (from 23 February 2024)
Mr. Nguyen Tuan Anh	Deputy General Director (from 24 February 2024)
Ms. Tran Thi Thanh Thuy	Deputy General Director (until 16 April 2024)
Mr. Nguyen Ngoc Quynh	Deputy General Director (until 22 February 2024)
Mr. Vo Long Nhi	Deputy General Director (until 23 February 2024)

Legal Representative

Mr. Le Van Tan Chairman

Registered office

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

Auditors

KPMG Limited Vietnam

II. Operating characteristics of the credit institution

1. Establishment and operation

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

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

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

2. Charter capital

As at 30 June 2024, the Bank’s charter capital was VND24,957,000 million (31/12/2023: VND24,957,000 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 30 June 2024, 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 31/12/2023: one (01) Head Office, one (01) representative office, forty nine (49) branches, one hundred and thirty two (132) transaction offices nationwide).

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

Company name	Operation License No.	Business sector	% owned by the Bank
SeABank Asset Management Company Limited	0103099985 dated 16 December 2008 issued by Hanoi Planning and Investment Department and the most recent amendment was on 15 August 2023.	Debt and asset management	100%
Post and Telecommunication Finance Company Limited	96/GP-NHNN dated 28 September 2018 and amended under Decision No.50/QD-NHNN dated 9 January 2023 of the Governor of the State Bank of Vietnam.	Consumer finance	100%

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

4. Total number of employees

As at 30 June 2024, SeABank had 5,486 employees (as at 31 December 2023: 5,508 employees).

III. Basis of preparation

1. Statement of compliance

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

2. Basis of measurement

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

3. Annual accounting period

The annual accounting period of SeABank is from 1 January to 31 December. These consolidated interim financial statements of the Bank have been prepared for the six-month period ended 30 June.

4. Accounting and reporting currency

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

IV. Summary of significant accounting policies

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

The accounting policies that have been adopted by the Company in the preparation of these interim financial statements are consistent with those adopted in the preparation of the latest annual financial statements, except for the accounting policy on recognition of foreign exchange differences presented in Note IV.2 and Note IV.9.

1. Basis of consolidation

a) Subsidiaries

Subsidiaries are entities controlled by the Bank. Control exists when the Bank has the power to govern the financial and operating policies of an entity to obtain benefits from its activities. When assessing control, it is essential to take into account the exercisability of potential voting rights. The financial statements of the subsidiaries are included in the Bank's consolidated financial statements from the date that control commences until the date that control ceases.

b) *Transactions eliminated on consolidation*

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

c) *Business combination*

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

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

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

d) *Goodwill*

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

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

2. *Foreign currency*

Foreign currency transactions

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

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

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

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

3. Cash and cash equivalents

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

4. Balances with and loans to other credit institutions

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

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

Debt classification of term deposits at and loans to other credit institutions and allowance thereof is made in accordance with Circular No. 11/2021/TT-NHNN dated 30 July 2021 of the State Bank of Vietnam on classification of assets, level and method of allowance making, and use of allowance against credit risks in banking activities of credit institutions and foreign banks' branches ("Circular 11"). Accordingly, debt classification and allowance for term deposits at and loans to other credit institutions are made in accordance with the accounting policy as described in Note IV.8.

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

5. Held-for-trading securities and investment securities

a) Classification

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

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

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

b) Recognition

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

c) *Measurement*

Debt securities

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

For debt investment securities, SeABank initially records at cost including transaction costs and other directly attributable costs. They are subsequently measured at amortised cost (affected by premium/discount amortisation) less allowance for investment securities, including allowance for diminution in value of securities and allowance for credit losses of investment securities which are unlisted corporate 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 listed 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 Exchanges within 10 days to the end of reporting period. If there is no transaction within 10 days to the end of reporting period, SeABank will not make allowance for diminution in value of these investments.

For debt securities of enterprises is unlisted corporate bonds, SeABank makes allowance for credit risk of such securities in accordance with the accounting policy as described in Note IV.8.

An allowance for 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 after acquisition of trading debt securities is recognised in the consolidated statement of income upon receipt (cash basis).

Interest income after acquisition of investment debt securities is recognised in the consolidated statement of income on an accrual basis, except for interest from unlisted corporate bonds classified from Group 2 to Group 5 as described in Note IV.8 which are recorded upon receipt (cash basis). The accumulated interest income before acquisition date is recognized as a decrease in cost upon received.

Equity securities

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

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

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

d) De-recognition

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

6. Long-term investments

a) Other long-term investments

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

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

Allowance for diminution in value of other long-term investments is made when the invested economic entities suffer losses causing impairment to the investment by SeABank, except when there is evidence of non-impairment. Allowance for diminution in value is determined as the total actual contributed capital of parties to the investee less (-) the actual owner's equity multiplied (x) by SeABank's ownership percentage in the investee.

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

7. Loans and advances to customers

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

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

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

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

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

a) Debt classification

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

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

is stipulated in Article 10 of Circular 11.

SeABank implements debt classification using the quantitative method as follows:

<i>Debt group</i>		<i>Overdue status</i>
1	Current	(a) Current debts being assessed as fully and timely recoverable, both principal and interest; or (b) Debts being overdue for less than 10 days and being assessed as fully recoverable, both overdue principal and interest, and fully and timely recoverable, both remaining principal and interest.
2	Special mentioned	(a) Debts being overdue up to 90 days; or (b) Debts having terms of repayment rescheduled for the first time.
3	Sub-standard	(a) Debts being overdue between 91 days and 180 days; or (b) Debts having terms of repayment extended for the first time which is undue; or (c) Debts having interest exempt or reduced because customers are not able to pay the interest according to the credit contract; or (d) Debts falling in one of the following cases not yet collected within 30 days since the issuance date of recovery decision: <ul style="list-style-type: none"> • Debts having violated regulations specified in Points 1, 3, 4, 5, 6 of Article 134 of Laws on Credit Institutions; or • Debts having violated regulations specified in Points 1, 2, 3, 4 of Article 135 of Laws on Credit Institutions; or • Debts having violated regulations specified in Points 1, 2, 5 of Article 136 of Laws on Credit Institutions. (e) Debts in the collection process under inspection conclusions; or (f) Debts in the collection process under decision on early debt collection when customers violate the terms of agreements but have not been collected within a period of less than 30 days from the date of the collection decision.

<i>Debt group</i>		<i>Overdue status</i>
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.

The debt is classified into a higher risk debt group in the following cases:

- The indicators of profitability, solvency, debt-to-equity ratio, cash flow, and debt repayment capacity of the customers continuously decline through 3 consecutive assessment and debt classification periods;
- The customers do not provide complete, timely, and honest information as required by the Bank to assess the customers' debt repayment capacity;
- The debt has been classified into Group 2, Group 3, Group 4 according to the provisions of Point a, b, Clause 3, Article 10 of Circular 11 for 01 (one) year or more but does not meet the conditions for classification into a lower risk debt groups;
- The debt for which the act of granting credit is subject to administrative sanctions according to the provisions of law.

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

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

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

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

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

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

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

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

b) Specific allowance for credit losses

According to Circular 11, SeABank makes specific allowance for credit losses 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 losses 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:

<u>Debt group</u>	<u>Debt group name</u>	<u>Specific allowance rate</u>
1	Current debt	0%
2	Special mentioned debt	5%
3	Sub-standard debt	20%
4	Doubtful debt	50%
5	Loss debt	100%

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

Maximum discount rates for collateral assets are determined as follows:

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

Additional specific allowance in accordance with Circular 02

The Bank also determines and makes additional specific allowance for the entire outstanding debt balance having rescheduled repayment term and debt group kept unchanged in accordance with Circular 02 and Circular 06 as follows:

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

As at 30 June 2024, the Bank has made 100% of the aforementioned total additional specific allowance.

c) *General allowance for credit losses*

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

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

d) *Write-off of bad debts*

According to the requirements of Circular 11, debts are written off against the allowance when they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations and enterprises) or borrowers are deceased or missing (for borrowers being individuals). Debts written-off against allowance are recorded as off-balance sheet items for following up and collection. The amounts collected from the debts previously written-off are recognised in the consolidated interim 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 guaranteed contract, in which case the payment on behalf is classified and allowance is made for in accordance with policy in Note IV.8.

9. **Derivative financial instruments**

a) *Currency derivative contracts*

The Bank involves in currency 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 each month are recognised as "Foreign exchange differences" on the consolidated interim statements of financial position and are fully transferred to the consolidated interim statement of income at the end of the annual accounting period. Differences between the amounts in VND of the foreign currency amounts which are committed to buy/sell at forward rate and spot rate are recognised in the consolidated statement of income on a straight-line basis over the term of the contracts.

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

b) Interest rate derivative contracts

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

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

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

10. Tangible fixed assets

a) Cost

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

b) Depreciation

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

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

11. Intangible fixed assets

a) *Software*

The cost of acquiring new software, which is not an integral part of the related hardware, is capitalised and treated as an intangible asset. Software costs are amortised on a straight-line basis ranging from 3 - 15 years.

b) *Land use rights*

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

12. Investment property

a) *Cost*

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

b) *Depreciation*

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

13. Other assets

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

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

Allowance rates by overdue period are as follows:

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

14. Provision

A provision is recognised if, as a result of a past event, SeABank has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to that obligation.

15. Deposits from customers

Deposits from customers are stated at cost.

16. Other borrowed and entrusted funds

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

17. Valuable papers issued

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

18. Other payables

Other payables are stated at cost.

19. Share capital

Ordinary shares

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

Share premium

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

20. Reserves and funds

a) Reserves and funds of the Bank

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

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

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

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

b) Reserves and funds of the subsidiaries

SeABank Asset Management Company Limited

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

Post and Telecommunication Finance Company Limited

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

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

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

21. Bonus and welfare fund

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

22. Revenue and other income

a) *Interest income*

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

When debts are classified in Group 2 to Group 5 as described in Note IV.8 or kept unchanged in Group 1 as a result of adoption of Circular 02 and Circular 06 as described in Note IV.8, interest receivable will be recorded as an off-balance sheet item. Interest on these debts is recognised in the consolidated interim statement of income upon receipt.

b) *Fee and commission income*

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

c) *Income from investing activities*

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

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

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

23. Interest expenses

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

24. Fee and commission expenses

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

25. Operating lease payments

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

26. Taxation

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

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

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

27. Related parties

Related parties of SeABank include:

- 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 in which the individuals described above directly or indirectly hold an important part of voting rights, or over which such individuals may exercise significantly influence. This case includes businesses owned by the Bank's leaders or key shareholders and those businesses that have the same key management personnel with SeABank; and
- Representatives for the Bank's capital contribution and shares purchase.

28. Earnings per share

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

Diluted earnings per share are determined by adjusting the profit or loss attributable to the ordinary shareholders and the average number of ordinary shares outstanding, taking into account the effects of potential ordinary shares arising from convertible bonds and stock options. As at 30 June 2024 and for the six-month period then ended SeABank does not have any potential ordinary shares; therefore, the presentation of diluted earnings per share is not applicable.

29. Segment reporting

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

30. Commitments and contingent liabilities

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

31. Financial instruments

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

a) *Financial assets*

Financial assets at fair value through profit or loss

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

Held-to-maturity investments

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

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

Loans and receivables

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

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

Available-for-sale financial assets

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

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

b) *Financial liabilities*

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities carried at amortised cost

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

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

32. Comparative information

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

33. Nil balances

Items or balances specified in Circular No. 49/2014/TT-NHNN issued by the SBV on December 31, 2014 (“Circular 49”) and Circular No. 27/2021/TT-NHNN issued by the SBV issued on December 31, 2021 amending and supplementing a number of articles of the Accounting Account System of credit institutions stipulated under Decision No. 479/2004/QĐ-NHNN dated April 29, 2004 and of the financial reporting regime for credit institutions stipulated under Decision No. 16/2007/QĐ-NHNN dated April 18, 2007 of the Governor of the State Bank of Vietnam that are not shown in these consolidated interim financial statements are deemed to have nil balance.

V. Notes to the consolidated interim financial statements

1. Cash and gold on hand

	30/06/2024 VND million	31/12/2023 VND million
Cash on hand in VND	750,710	683,601
Cash on hand in foreign currencies	135,059	141,070
Gold	4,709	26,628
	890,478	851,299

2. Balances with the State Bank of Vietnam

	30/06/2024 VND million	31/12/2023 VND million
Current accounts at the SBV in VND	4,934,958	2,365,794
Current accounts at the SBV in foreign currencies	255,481	334,101
Guarantee deposits in VND	100,000	100,000
	5,290,439	2,799,895

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.

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

Deposits in scope	CRR rates	
	30/06/2024	31/12/2023
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

	30/06/2024 VND million	31/12/2023 VND million
Current accounts	11,390,960	8,462,374
Current accounts in VND	10,600,761	7,750,688
Current accounts in foreign currencies	790,199	711,686
Term deposits	39,058,755	37,345,650
Term deposits in VND	36,902,900	26,489,300
Term deposits in foreign currencies	2,155,855	10,856,350
	50,449,715	45,808,024
Loans to other CIs		
Loans to other CIs in VND	4,517,756	2,890,550
<i>In which: discounted, re-discounted</i>	<i>1,238,311</i>	<i>-</i>
	4,517,756	2,890,550
Total balances with and loans to other CIs	54,967,471	48,698,574

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

	30/06/2024 VND million	31/12/2023 VND million
Current debts	43,576,511	40,236,200

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

	30/06/2024	31/12/2023
Term deposits in VND	3.40% - 6.00%	0.75% - 4.40%
Term deposits in foreign currencies	5.30% - 5.55%	5.00% - 5.40%
Loans in VND	4.50% - 9.34%	8.87% - 9.34%

4. Held-for-trading securities

	30/06/2024 VND million	31/12/2023 VND million
Debt securities		
Government bonds	4,050,418	7,953,030
Certificate of deposits issued by other local CIs	200,000	200,000
Bonds issued by other local CIs	-	200,206
	4,250,418	8,353,236

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

	30/06/2024 VND million	31/12/2023 VND million
Listed bonds	4,050,418	8,153,236

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

	30/06/2024		31/12/2023	
	Term	Interest rate per annum	Term	Interest rate per annum
Government bonds	10 years - 15 years	2.10% - 5.10%	10 years - 30 years	2.10% - 8.00%
Certificates of deposits issued by other local CIs	1 year	10.20%	1 year	10.20%
Bonds issued by local credit institutions	Not applicable		15 years	3.60%

5. Loans and advances to customers

	30/06/2024 VND million	31/12/2023 VND million
Loans to local economic entities and individuals	185,619,198	179,413,776
Payments on behalf of customers	9,915	6,965
Loans to foreign economic entities and individuals	329,788	331,152
	185,958,901	179,751,893

Loans portfolio by quality:

	30/06/2024 VND million	31/12/2023 VND million
Current	180,373,832	174,248,560
Special mentioned	2,034,099	2,020,336
Sub-standard	353,770	383,457
Doubtful	754,973	864,311
Loss	2,442,227	2,235,229
	185,958,901	179,751,893

Loans portfolio by term:

	30/06/2024 VND million	31/12/2023 VND million
Short-term loans	76,910,654	63,303,785
Medium-term loans	83,826,748	88,769,906
Long-term loans	25,221,499	27,678,202
	185,958,901	179,751,893

Loans portfolio by currency:

	30/06/2024 VND million	31/12/2023 VND million
Loans in VND	183,853,072	177,702,475
Loans in foreign currencies	2,105,829	2,049,418
	185,958,901	179,751,893

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

	30/06/2024	31/12/2023
Loans in VND	3.26% - 12.09%	3.26% - 12.00%
Loans in foreign currencies	3.00% - 6.63%	2.50% - 6.60%

Loans portfolio by customer type:

	30/06/2024 VND million	31/12/2023 VND million
State-owned enterprises	1,136,316	1,256,281
Joint stock companies in which the State's holding percentage is more than 50%	2,726,473	3,594,802
Other joint stock companies	65,089,828	59,225,732
Other limited liability companies	83,305,289	78,274,465
Private companies	66,057	112,657
Foreign invested enterprises	362,490	400,056
Cooperatives, cooperative unions	42,457	22,656
Households and individuals	33,223,767	36,857,784
Others	6,224	7,460
	185,958,901	179,751,893

6. Allowance for loans and advances to customers

Allowance for loans and advances to customers consists of:

	30/06/2024 VND million	31/12/2023 VND million
General allowance (i)	1,376,375	1,333,794
Specific allowance (ii)	1,345,681	1,644,225
	2,722,056	2,978,019

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

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Opening balance	1,333,794	1,141,268
Allowance made during the period	42,581	58,532
Closing balance	1,376,375	1,199,800

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

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Opening balance	1,644,225	1,291,741
Allowance made during the period	869,619	458,321
Utilisation of allowance during the period	(1,168,163)	(186,414)
Closing balance	1,345,681	1,563,648

7. Investment securities

a. Available-for-sale securities

	30/06/2024 VND million	31/12/2023 VND million
Debt securities		
- Government bonds	7,024,256	10,764,582
- Bonds issued by other local CIs	2,636,019	2,938,909
- Bonds issued by local economic entities	250,000	250,000
	9,910,275	13,953,491
Equity securities		
- Equity securities issued by local economic entities	82,054	82,054
	9,992,329	14,035,545

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

	30/06/2024		31/12/2023	
	Term	Interest rate per annum	Term	Interest rate per annum
Government bonds	7 years - 30 years	2.20% - 6.50%	7 years - 30 years	2.20% - 6.50%
Bonds issued by local credit institutions	8 years - 15 years	2.50% - 8.50%	3 years - 15 years	2.50% - 9.00%
Bonds issued by local economic entities	4 years	8.57%	4 years	10.225%

Portfolio of unlisted corporate bonds (including bonds issued by other credit institutions) classified as credit risk exposed assets by debt groups was as follows:

	30/06/2024 VND million	31/12/2023 VND million
Current	1,900,000	2,450,000

b. Held-to-maturity securities

	30/06/2024 VND million	31/12/2023 VND million
Bills issued by the SBV	7,000,018	-
Bonds issued by local economics entities	350,458	350,458
	7,350,476	350,458

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

	30/06/2024		31/12/2023	
	Kỳ hạn	Lãi suất năm	Kỳ hạn	Lãi suất năm
Bonds issued by local economics entities	1 year - 10 years	8.00% - 8.90%	1 year - 10 years	8.00% - 8.90%
Bills issued by the SBV	Under 1 month	4.25% - 4.50%	Not applicable	

Portfolio of unlisted corporate bonds (including bonds issued by other credit institutions) classified as credit risk exposed assets by debt groups was as follows:

	30/06/2024 VND million	31/12/2023 VND million
Current	-	319,364
Loss	350,458	31,094
	350,458	350,458

c. Allowance for investment securities

	30/06/2024 VND million	31/12/2023 VND million
General allowance for investment securities (i)	-	4,270
Specific allowance for held-to-maturity securities (ii)	350,458	94,967
	350,458	99,237

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

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Opening balance	4,270	4,270
Allowance reversed during the period	(4,270)	-
Closing balance	-	4,270

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

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Opening balance	94,967	15,547
Allowance made during the period	255,491	15,547
Closing balance	350,458	31,094

8. Long-term investments

	30/06/2024 VND million	31/12/2023 VND million
Other long-term investments (i)	62,432	62,432
Allowance for diminution in value of long-term investments (ii)	(363)	(540)
	62,069	61,892

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

	30/06/2024		31/12/2023	
	Cost VND million	%	Cost VND million	%
Other long-term investments				
National Payment Corporation of Vietnam	3,300	1.06%	3,300	1.06%
PetroVietnam Oil Mien Trung Joint Stock Company	4,800	1.59%	4,800	1.59%
PetroVietnam Oil Saigon Joint Stock Company	10,000	5.00%	10,000	5.00%
PetroVietnam Oil Vung Tau Joint Stock Company	10,000	8.33%	10,000	8.33%
Phu My Oil Processing Joint Stock Company	11,000	2.20%	11,000	2.20%
PetroVietnam Oil Tay Ninh Joint Stock Company	12,470	9.59%	12,470	9.59%
PetroVietnam Oil Hanoi Joint Stock Company	7,500	2.83%	7,500	2.83%
Global Data Service Joint Stock Company	2,670	2.13%	2,670	2.13%
Brainwork Vietnam Inc	436	9.99%	436	9.99%
Post and Telecommunications Investment and Construction Consulting JSC (PTICC)	256	0.45%	256	0.45%
	62,432		62,432	

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

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Opening balance	540	1,119
Reversed during the period (Note V.29)	(177)	(579)
Closing balance	363	540

9. Tangible fixed assets

For the six-month period ended 30 June 2024

	Buildings and structures VND million	Machines and equipment VND million	Means of transportation VND million	Office equipment VND million	Other tangible fixed assets VND million	Total VND million
Cost						
Opening balance	19,075	480,916	422,964	120,021	39,897	1,082,873
Additions	-	256	1,423	1,544	360	3,583
Disposals	(286)	(528)	(627)	(1,976)	(243)	(3,660)
Closing balance	18,789	480,644	423,760	119,589	40,014	1,082,796
Accumulated depreciation						
Opening balance	6,712	193,915	223,702	94,968	12,311	531,608
Charge for the period	427	18,812	19,336	5,301	2,270	46,146
Disposals	(286)	(528)	(627)	(1,976)	(243)	(3,660)
Closing balance	6,853	212,199	242,411	98,293	14,338	574,094
Net book value						
Opening balance	12,363	287,001	199,262	25,053	27,586	551,265
Closing balance	11,936	268,445	181,349	21,296	25,676	508,702

For the six-month period ended 30 June 2023

	Buildings and structures VND million	Machines and equipment VND million	Means of transportation VND million	Office equipment VND million	Other tangible fixed assets VND million	Total VND million
Cost						
Opening balance	19,075	321,200	396,022	119,032	22,350	877,679
Additions	-	96,035	5,869	1,747	207	103,858
Disposals	-	-	-	-	-	-
Closing balance	19,075	417,235	401,891	120,779	22,557	981,537
Accumulated depreciation						
Opening balance	5,842	162,725	186,294	85,997	9,632	450,490
Charge for the period	441	13,938	18,217	5,911	1,279	39,786
Closing balance	6,283	176,663	204,511	91,908	10,911	490,276
Net book value						
Opening balance	13,233	158,475	209,728	33,035	12,718	427,189
Closing balance	12,792	240,572	197,380	28,871	11,646	491,261

Included in tangible fixed assets were assets costing VND93,492 million which were fully depreciated as of 30 June 2024 (31 December 2023: VND86,817 million), but still in active use.

10. Intangible fixed assets

For the six-month period ended 30 June 2024

	Land - use rights VND million	Computer software VND million	Other intangible fixed assets VND million	Total VND million
Cost				
Opening balance	384,373	558,122	13,446	955,941
Additions	-	17,152	-	17,152
Closing balance	384,373	575,274	13,446	973,093
Accumulated amortisation				
Opening balance	-	228,903	9,005	237,908
Charge for the period	-	22,132	675	22,807
Closing balance	-	251,035	9,680	260,715
Net book value				
Opening balance	384,373	329,219	4,441	718,033
Closing balance	384,373	324,239	3,766	712,378

For the six-month period ended 30 June 2023

	Land - use rights VND million	Computer software VND million	Other intangible fixed assets VND million	Total VND million
Cost				
Opening balance	384,373	456,580	13,446	854,399
Additions	-	44,367	-	44,367
Closing balance	384,373	500,947	13,446	898,766
Accumulated amortisation				
Opening balance	-	188,542	7,354	195,896
Charge for the period	-	18,755	975	19,730
Closing balance	-	207,297	8,329	215,626
Net book value				
Opening balance	384,373	268,038	6,092	658,503
Closing balance	384,373	293,650	5,117	683,140

Included in intangible fixed assets were assets costing VND49,797 million which were fully amortised as of 30 June 2024 (31 December 2023: VND47,891 million), but still in active use.

11. Investment properties

For the six-month period ended 30 June 2024

	Land-use rights VND million	Buildings and structures VND million	Total VND million
Cost			
Opening balance	21,620	42,557	64,177
Decrease in the period	(777)	-	(777)
Closing balance	20,843	42,557	63,400
Accumulated depreciation			
Opening balance	-	7,593	7,593
Charge for the period	-	587	587
Closing balance	-	8,180	8,180
Carrying value			
Opening balance	21,620	34,964	56,584
Closing balance	20,843	34,377	55,220

For the six-month period ended 30 June 2023

	Land-use rights VND million	Buildings and structures VND million	Total VND million
Cost			
Opening balance	21,912	42,554	64,466
Increase in the period	-	3,616	3,616
Closing balance	21,912	46,170	68,082
Accumulated depreciation			
Opening balance	-	6,419	6,419
Charge for the period	-	587	587
Closing balance	-	7,006	7,006
Carrying value			
Opening balance	21,912	36,135	58,047
Closing balance	21,912	39,164	61,076

12. Other assets

	30/06/2024 VND million	31/12/2023 VND million
Receivables	7,762,490	7,092,858
Internal receivables	387,746	429,589
External receivables	7,374,744	6,663,269
Interest and fee receivables	3,323,995	3,318,857
Other assets	2,634,665	2,588,785
Allowance for other on-balance sheet assets (i)	(29,566)	(30,003)
	13,691,584	12,970,497

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

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Opening balance	30,003	40,430
Reversed during the period (Note V.27)	(437)	-
Closing balance	29,566	40,430

13. Goodwill

	30/06/2024 VND million	31/12/2023 VND million
Total Goodwill	712,055	712,055
Amortisation period (years)	10	10
Cumulative amortisation at the beginning of the period	373,829	302,624
Carrying value at the beginning of the period	338,226	409,431
Decrease in the period	35,603	71,205
Amortised during the period (Note V. 29)	35,603	71,205
Carrying value at the end of the period/year	302,623	338,226

14. Amounts due to the Government and the SBV

	30/06/2024 VND million	31/12/2023 VND million
Borrowings on discount, rediscount of valuable papers	-	439,123
Borrowings from the SBV	2,087,066	2,099,514
	2,087,066	2,538,637

15. Deposits and borrowings from other credit institutions

	30/06/2024 VND million	31/12/2023 VND million
Demand deposits from other credit institutions	10,509,225	7,713,899
- In VND	10,509,225	7,713,899
Term deposits from other credit institutions	41,492,855	39,332,900
- In VND	39,337,000	37,392,100
- In foreign currencies	2,155,855	1,940,800
	52,002,080	47,046,799
Borrowings from other credit institutions		
In VND	15,544,578	5,563,887
- Borrowings on discounted and rediscounted valuable papers	9,540,780	-
- Other borrowings	6,003,798	5,563,887
In foreign currencies (i)	13,309,210	14,087,352
	28,853,788	19,651,239
Total deposits and borrowings from other credit institutions	80,855,868	66,698,038

- (i) Included in the balances as at 30 June 2024 and 31 December 2023 were convertible borrowings from the International Finance Corporation (“IFC”) amounting to USD75 million. IFC has an option to convert all or part of the debt into shares of the Bank during the term of the borrowing at a conversion price per share to be negotiated and agreed with the Bank. As at 30 June 2024, the Bank and IFC have not entered into any agreement regarding the time and conversion proportion of the borrowings.

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

	30/06/2024	31/12/2023
Term deposits in VND	3.00% - 5.00%	0.70% - 4.50%
Term deposits in foreign currencies	5.30% - 5.55%	5.30% - 5.40%
Borrowings in VND	4.30% - 9.34%	3.28% - 9.34%
Borrowings in foreign currencies	0.57% - 8.42%	0.57% - 8.64%

16. Deposits from customers

	30/06/2024 VND million	31/12/2023 VND million
Demand deposits	19,079,392	15,794,593
- Demand deposits in VND	18,203,285	15,083,660
- Demand deposits in gold and foreign currencies	876,107	710,933
Term deposits	129,415,304	128,138,764
- Term deposits in VND	128,963,234	127,685,843
- Term deposits in gold and foreign currencies	452,070	452,921
Deposits for special purpose	361,983	410,674
Margin deposits	596,646	495,975
	149,453,325	144,840,006

Deposits from customers by customer type was as follows:

	30/06/2024 VND million	31/12/2023 VND million
State-owned enterprises	15,778,451	15,467,735
Joint stock companies in which the State's holding percentage is more than 50%	4,999,095	3,818,036
Other joint stock companies	29,189,960	26,370,495
Limited liability companies	9,226,191	8,506,849
Partnerships	6,389	6,816
Private companies	142,105	116,808
Foreign invested enterprises	726,999	678,669
Cooperatives, cooperative unions	49,093	37,010
Households and individuals	88,714,907	89,077,488
Others	620,135	760,100
	149,453,325	144,840,006

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

	30/06/2024	31/12/2023
Demand deposits in VND	0.10% - 0.50%	0.20% - 0.50%
Demand deposits in foreign currencies	0.00%	0.00%
Term deposits in VND	0.50% - 6.30%	0.50% - 6.10%
Term deposits in foreign currencies	0.00%	0.00%

17. Derivatives and other financial liabilities

	Total contract value (at exchange rate as of contract effective date) VND million	Net book value (at exchange rate as of reporting date)		
		Assets	Liabilities	Net value
		VND million	VND million	VND million
As at 30 June 2024				
Currency forward contracts	23,125,173	23,553,944	23,646,182	(92,238)
Interest rate forward contracts	24,090	24,090	24,780	(690)
Currency swap contracts	85,322,367	85,937,040	85,708,211	228,829
Interest rate swap contracts	3,738,560	3,738,560	3,905,902	(167,342)
	112,210,190	113,253,634	113,285,075	(31,441)
As at 31 December 2023				
Currency forward contracts	34,926,220	34,975,086	34,966,354	8,732
Interest rate forward contracts	228,208	228,208	229,910	(1,702)
Currency swap contracts	63,785,077	64,051,930	64,168,611	(116,681)
Interest rate swap contracts	3,738,560	3,738,560	3,736,040	2,520
	102,678,065	102,993,784	103,100,915	(107,131)

18. Valuable papers issued

	30/06/2024 VND million	31/12/2023 VND million
Term bonds		
- From 12 months to less than 5 years	3,200,000	4,199,000
- From 5 years	1,650,000	1,650,000
Certificates of deposits	6,623,300	10,997,100
	11,473,300	16,846,100

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

	30/06/2024	31/12/2023
Term bonds		
From 12 months to less than 5 years	4.10%	4.10% - 4.70%
Over 5 years	6.60% - 9.00%	6.60% - 9.00%
Certificates of deposits	6.00% - 9.20%	6.00% - 8.80%

19. Other liabilities

	30/06/2024	31/12/2023
	VND million	VND million
Internal payables	41,644	13,262
External payables	3,729,928	4,635,900
In which:		
- <i>Accrued interest and fee payables</i>	2,971,807	3,743,466
- <i>Deferred income</i>	8,728	1,718
- <i>Taxes and others payable to State Treasury (Notes V.33)</i>	541,585	587,526
- <i>Other payables</i>	207,808	303,190
Bonus and welfare fund	215,691	144,982
	3,987,263	4,794,144

20. Owners' equity

For the six-month period ended 30 June 2024

	Charter capital VND million	Share premium VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Foreign exchange differences VND million	Retained earnings VND million	Total VND million
Balance at 1 January 2024	24,957,000	106,167	1,318,509	396,830	-	3,518,333	30,296,839
Profit for the period	-	-	-	-	-	2,583,118	2,583,118
Foreign exchange differences	-	-	-	-	(1,279)	-	(1,279)
Appropriation to bonus and welfare fund	-	-	-	-	-	(110,010)	(110,010)
Balance at 30 June 2024	24,957,000	106,167	1,318,509	396,830	(1,279)	5,991,441	32,768,668

For the six-month period ended 30 June 2023

	Charter capital VND million	Share premium VND million	Financial reserve VND million	Reserve to supplement charter capital VND million	Foreign exchange differences VND million	Retained earnings VND million	Total VND million
Balance at 1 January 2023	20,402,983	1,204,184	945,594	210,373	-	3,469,086	26,232,220
Profit for the period	-	-	-	-	-	1,607,311	1,607,311
Foreign exchange differences	-	-	-	-	(1,359)	-	(1,359)
Appropriation to bonus and welfare fund	-	-	-	-	-	(116,335)	(116,335)
Balance at 30 June 2023	20,402,983	1,204,184	945,594	210,373	(1,359)	4,960,062	27,721,837

Share capital

	30/06/2024		31/12/2023	
	Number of shares	VND million	Number of shares	VND million
Issued share capital				
Ordinary share	2,495,700,000	24,957,000	2,495,700,000	24,957,000
Number of outstanding shares				
Ordinary share	2,495,700,000	24,957,000	2,495,700,000	24,957,000

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.

The Resolution of the 2024 Annual General Meeting of Shareholders of the Bank dated 17 April 2024 approved the plan to issue shares to increase charter capital to a maximum of VND30,000,000 million. On 21 June 2024, the Board of Directors of the Bank issued Resolution No. 494/2024/NQ-HDQT on implementing the plan to issue shares to increase charter capital. On 21 June 2024, the Bank submitted Submission No. 497/2024/TTr-HDQT to the SBV requesting approval to increase charter capital and received Official Letter No. 5373/NHNN-TTGSNH of the SBV dated 28 June 2024 approving the Bank to increase charter capital by a maximum of VND3,843,000 million; in which, by issuing shares to pay dividends of up to VND3,290,000 million, issuing shares to increase share capital from owners' equity of up to VND 103,000 million, issuing shares under the employee stock option plan of up to VND450,000 million. The Bank is carrying out procedures to issue shares according to the approved plan.

21. Interest and similar income

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Interest income from deposits	712,057	864,008
Interest income from loans	8,956,656	8,467,340
Interest income from investments in securities	253,906	373,644
Income from guarantee services	46,844	52,741
Other income from credit activities	72,986	68,505
	10,042,449	9,826,238

22. Interest and similar expenses

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Interest expenses for deposits	3,801,289	5,084,004
Interest expenses for borrowings	795,735	755,906
Interest expenses for valuable papers issued	443,431	637,691
Other expenses for credit activities	258,699	44,996
	5,299,154	6,522,597

23. Net fee and commission income

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Fee and commission income	430,476	466,075
- Income from settlement and cash services	204,312	250,946
- Income from treasury services	1,779	1,845
- Income from insurance agency services	51,326	46,340
- Income from other services	173,059	166,944
Fee and commission expenses	(98,808)	(101,061)
- Expense for settlement and cash services	(37,215)	(38,691)
- Expense for treasury services	(8,392)	(8,356)
- Expense for other services	(53,201)	(54,014)
	331,668	365,014

24. Net gain from trading of foreign currencies

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Income from trading of foreign currencies	951,397	1,161,187
- Income from spot foreign currency trading	386,813	656,556
- Income from trading of gold	957	305
- Income from currency derivatives	563,627	504,326
Expenses for trading of foreign currencies	(544,966)	(1,089,744)
- Expenses for spot foreign currency trading	(15,398)	(66,257)
- Expenses for trading of gold	(54)	(2)
- Expenses for currency derivatives	(529,514)	(1,023,485)
	406,431	71,443

25. Net gain from held-for-trading securities

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Gain from held-for-trading securities	658,528	253,304
Loss from held-for-trading securities	(589,761)	(51,505)
	68,767	201,799

26. Net gain from investment securities

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Gain from investment securities	916,178	185,318
Loss from investment securities	(222,441)	(29,319)
Allowance made for investment securities	(251,221)	(15,547)
	442,516	140,452

27. Net other income

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Income from other activities	112,206	208,622
- Income from other derivatives	81,576	171,560
- Income from other activities	30,630	37,062
Expenses for other activities	(94,226)	(82,332)
- Expenses for other derivatives	(85,522)	(77,084)
- Expenses for other activities	(8,704)	(5,248)
	17,980	126,290

28. Income from capital contribution, share purchase

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Dividends received from capital contribution, share purchase	839	7,863

29. Operating expenses

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Tax, duties and fees	24,129	22,614
Staff costs	991,445	890,468
<i>In which:</i>		
- <i>Salary and allowances</i>	923,240	817,011
- <i>Salary based contribution</i>	58,751	55,442
- <i>Allowances</i>	233	66
- <i>Others</i>	9,221	17,949
Expenses on assets	341,996	303,590
- <i>Depreciation and amortisation of fixed assets</i>	68,953	59,516
- <i>Others</i>	273,043	244,074
Administrative expenses	311,686	299,277
- <i>Per diems</i>	18,001	16,550
- <i>Printing materials and papers</i>	12,588	16,768
- <i>Postage and telephone expenses</i>	17,993	20,892
- <i>Others</i>	263,104	245,067
Insurance fee for customers' deposits	67,575	54,912
Amortisation of goodwill (Note V.13)	35,603	35,603
Other expenses	88,818	77,398
Allowance reversed for diminution in value of long-term investments (Note V.8)	(177)	(579)
Allowance reversed for other on-balance sheet assets (Note V.12)	(437)	-
	1,860,638	1,683,283

30. Corporate income tax expense

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Accounting profit before		
Corporate income tax expense ("CIT")	3,238,658	2,016,366
<i>Adjustments for:</i>		
- Dividend income and other tax-exempted income	(839)	(7,863)
- Non-deductible expenses	2,984	1,171
- Consolidation adjustments	35,603	35,603
Taxable profit	3,276,406	2,045,277
Corporate income tax rate	20%	20%
Calculated corporate income tax expense	655,281	409,055
Additional corporate income tax payable for prior period	259	-
Corporate income tax expense	655,540	409,055

31. Basic earnings per share

i. Profit to calculate basic earnings per share

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Net profit during the period	2,583,118	1,607,311
Appropriation to bonus and welfare fund (*)	(77,494)	(58,168)
Profit distributable to ordinary shareholders	2,505,624	1,549,143

(*) At the date of these consolidated interim financial statement, the Bank estimated the amount to be appropriated to bonus and welfare fund for the six-month period ended 30 June 2024 is equivalent to 3% of net profit during the period.

ii. *Weighted average number of ordinary shares*

	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023 (restated)	Six-month period ended 30/06/2023 (as previously reported)
Number of ordinary shares at the beginning of the period	2,495,700,000	2,040,298,268	2,040,298,268
Effect of ordinary shares issued for dividend payment of 2022 in 2023	-	295,200,000	-
Effect of shares issued from share premium of 2022	-	118,201,732	-
Weighted average number of ordinary shares for the period	2,495,700,000	2,453,700,000	2,040,298,268

iii. *Basic earnings per share*

	Six-month period ended 30/06/2024	Six-month period ended 30/06/2023 (restated)	Six-month period ended 30/06/2023 (as previously reported)
Basic earnings per share (VND/share)	1,004	631	759

32. **Cash and cash equivalents**

	30/06/2024 VND million	31/12/2023 VND million
Cash and gold	890,478	851,299
Balances with the SBV	5,290,439	2,799,895
Current accounts at other CIs	11,390,960	8,462,374
Term deposits at other CIs with terms not exceeding three months	39,058,755	37,345,650
Bills issued by the SBV with terms of not exceeding three months	7,000,018	-
	63,630,650	49,459,218

33. Obligations to the State Treasury

For the six-month period ended 30 June 2024

Items	Movements during the period			30/06/2024 VND million
	1/1/2024 VND million	Payable VND million	Paid VND million	
Value added tax	22,132	54,163	(67,689)	8,606
Corporate income tax	555,416	655,540	(688,357)	522,599
Personal income tax	9,978	115,421	(115,019)	10,380
Other taxes	-	41,643	(41,643)	-
	587,526	866,767	(912,708)	541,585

For the six-month period ended 30 June 2023

Items	Movements during the period			30/06/2023 VND million
	1/1/2023 VND million	Payable VND million	Paid VND million	
Value added tax	13,944	31,074	(37,284)	7,734
Corporate income tax	410,214	409,055	(584,917)	234,352
Personal income tax	10,157	94,633	(96,208)	8,582
Other taxes	-	24,522	(24,522)	-
	434,315	559,284	(742,931)	250,668

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

Concentration of SeABank's assets, liabilities and off-balance sheet items by geographical region as at 30 June 2024 were as follows:

	Total loans to customers and other CIs	Total deposits from customers and other CIs	Contingent credit commitments	Derivatives and other financial liabilities (net)	Securities held- for-trading and investment securities
	VND million	VND million	VND million	VND million	VND million
Domestic	190,146,869	201,363,351	12,432,439	31,441	21,593,223
Overseas	329,788	92,054	-	-	-
	190,476,657	201,455,405	12,432,439	31,441	21,593,223

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

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

35. Segment reporting

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

a. The primary business segment reporting

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

Banking operations:

Products and services provided include:

- Deposits mobilisation;
- Credit extension;
- Wire transfer, settlement services; and
- Other banking operations

Finance companies' activities:

Consumer lending and other financial activities

Debt management and asset exploitation:

Debt management and asset exploitation

Segment reporting by business segment for the six-month period ended 30 June 2024 and for the six-month period ended 30 June 2023 are presented in the following table:

Six-month period ended 30/06/2024 VND million	Banking operations	Finance companies activities	Debt management and asset exploitation	Elimination for inter- segment transactions	Consolidated figures
Revenue					
Interest and similar income	9,621,342	484,496	7,439	(70,828)	10,042,449
Fee and commission income	404,098	16,086	12,169	(1,877)	430,476
Income from other business activities	2,637,218	930	1,000	-	2,639,148
	12,662,658	501,512	20,608	(72,705)	13,112,073
Expense					
Interest and similar expense	5,306,705	59,530	3,747	(70,828)	5,299,154
Fee and commission expense	93,292	614	4,902	-	98,808
Others direct business expenses	1,699,874	1,082	1,659	-	1,702,615
Operating expenses	1,697,631	125,123	4,158	33,726	1,860,638
	8,797,502	186,349	14,466	(37,102)	8,961,215
Net operating profits before allowance expense for credit losses	3,865,156	315,163	6,142	(35,603)	4,150,858
Allowance expense for credit losses	695,840	216,360	-	-	912,200
Segment outcome	3,169,316	98,803	6,142	(35,603)	3,238,658
As at 30 June 2024					
Assets					
Cash and gold	890,447	-	31	-	890,478
Fixed assets	1,217,929	3,151	-	-	1,221,080
Other assets	279,666,832	4,423,192	1,123,621	(6,667,252)	278,546,393
	281,775,208	4,426,343	1,123,652	(6,667,252)	280,657,951
Liabilities					
Amounts due to the Government and the SBV	2,087,066	-	-	-	2,087,066
Deposits and borrowings from other credit institutions	81,392,830	2,990,000	-	(3,526,962)	80,855,868
Deposits from customers	150,091,141	147	-	(637,963)	149,453,325
Derivative and other financial liabilities	31,441	-	-	-	31,441
Other borrowed and entrusted funds	-	1,020	-	-	1,020
Valuable papers issued	11,473,300	-	-	-	11,473,300
Other liabilities	3,936,497	58,325	37,391	(44,950)	3,987,263
	249,012,275	3,049,492	37,391	(4,209,875)	247,889,283

Six-month period ended 30/06/2023 VND million	Banking operations	Finance companies activities	Debt management and asset exploitation	Elimination for inter- segment transactions	Consolidated figures
Revenue					
Interest and similar income	9,619,221	340,125	14,321	(147,429)	9,826,238
Fee and commission income	451,594	1,375	14,926	(1,820)	466,075
Income from other business activities	1,845,367	576	-	(29,649)	1,816,294
	11,916,182	342,076	29,247	(178,898)	12,108,607
Expense					
Interest and similar expense	6,529,907	140,119	-	(147,429)	6,522,597
Fee and commission expense	95,275	198	5,588	-	101,061
Others direct business expenses	1,252,722	49	15,676	-	1,268,447
Operating expenses	1,509,858	136,942	2,700	33,783	1,683,283
	9,387,762	277,308	23,964	(113,646)	9,575,388
Net operating profits before allowance expense for credit losses	2,528,420	64,768	5,283	(65,252)	2,533,219
Allowance expense for credit losses	490,814	26,039	-	-	516,853
Segment outcome	2,037,606	38,729	5,283	(65,252)	2,016,366
As at 31 December 2023					
Assets					
Cash and gold	851,268	-	31	-	851,299
Fixed assets	1,265,655	3,643	-	-	1,269,298
Other assets	266,058,107	5,634,596	889,558	(8,580,943)	264,001,318
	268,175,030	5,638,239	889,589	(8,580,943)	266,121,915
Liabilities					
Amounts due to the Government and the SBV	2,538,637	-	-	-	2,538,637
Deposits and borrowings from other credit institutions	68,352,556	4,300,000	-	(5,954,518)	66,698,038
Deposits from customers	145,225,061	147	-	(385,202)	144,840,006
Derivative and other financial liabilities	107,131	-	-	-	107,131
Other borrowed and entrusted funds	-	1,020	-	-	1,020
Valuable papers issued	16,846,100	-	-	-	16,846,100
Other liabilities	4,766,757	38,937	307,900	(319,450)	4,794,144
	237,836,242	4,340,104	307,900	(6,659,170)	235,825,076

b. The secondary geographical segment reporting

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

36. Significant transactions and balances with related parties

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

<i>Related parties</i>	<i>Relationship</i>
Thang Long GTC Joint Stock Company	Common members of BOD
BRG Group Joint Stock Company ("BRG") and its subsidiaries	Common members of BOD
Vietnam 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:

	30/06/2024	31/12/2023
	VND million	VND million
<i>Thang Long GTC Joint Stock Company</i>		
Demand deposits at the Bank	1,178	10,146
Term deposits at the Bank	383,900	407,900
<i>BRG Group Joint Stock Company and its subsidiaries</i>		
Demand deposits at the Bank	416,209	143,156
Term deposits at the Bank	348,185	731,524
Guarantees at the Bank	-	1,369
<i>Vietnam Aircraft Leasing Joint Stock Company</i>		
Demand deposits at the Bank	11	7
Term deposits at the Bank	157,500	366,500
<i>North Hanoi Smart City Development Investment Joint Stock Company</i>		
Demand deposits at the Bank	221,488	396,627
Term deposits at the Bank	12,730,000	12,530,000

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

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Thang Long GTC Joint Stock Company		
Interest expenses for deposits	7,935	13,061
BRG Group Joint Stock Company and its subsidiaries		
Interest expenses for deposits	11,197	10,152
Fee income from guarantees	-	9,110
Vietnam Aircraft Leasing Joint Stock Company		
Interest expenses for deposits	9,114	-
North Hanoi Smart City Development Investment Joint Stock Company		
Interest expenses for deposits	108,461	53,779
	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Remuneration of the Board of Directors' member	11,139	10,774
Chairman	3,000	3,000
Standing Vice Chairwoman	2,700	2,700
02 Vice Chairwoman	3,458	3,261
Hoang Minh Tan - Member	-	180
Bui Trung Kien- Member	-	180
Mathew Nevil Welch - Member	600	584
Tran Thi Thanh Thuy- Member	278	-
Ngo Thi Nhai - Member	401	622
Fergus Mardonald Clark - Independent Member	702	246
Remuneration of the Supervisory Board	2,322	1,524
Salary, bonus and other benefits of the General Director and other managers	15,391	15,084

37. Off-balance sheet items

	30/06/2024 VND million			31/12/2023 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	659,438	-	659,438	8,707	-	8,707
- Foreign currency sale commitments	2,546,141	-	2,546,141	8,693	-	8,693
- Currency swaps - purchase commitments	55,468,881	-	55,468,881	38,549,140	-	38,549,140
- Currency swaps - sale commitments	37,955,730	-	37,955,730	25,783,528	-	25,783,528
Letters of credit	7,192,177	(90,944)	7,101,233	6,662,109	(59,346)	6,602,763
Other guarantees	5,660,580	(329,374)	5,331,206	5,515,126	(303,095)	5,212,031
Interest rate swap contracts	8,144,462	-	8,144,462	7,974,600	-	7,974,600

38. Employee benefits

	Six-month period ended 30/06/2024 VND million	Six-month period ended 30/06/2023 VND million
Average number of employees (persons)	5,529	5,397
Employees' income	923,240	817,011
Bonus and incentives	31,917	25,059
	955,157	842,070
Average monthly income (VND million/person/month)	28.79	26.00

V. Financial risk management

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

1. Interest rate risk

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

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

As of 30 June 2024 (VND million)	Non - sensitive to interest rate	Overdue	Under 1 month	From 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total
Assets									
Cash and gold	890,478	-	-	-	-	-	-	-	890,478
Balances with the SBV	5,290,439	-	-	-	-	-	-	-	5,290,439
Balances with and loans to other CIs - gross	36,627,775	-	15,195,251	1,591,800	1,552,645	-	-	-	54,967,471
Held-for-trading securities - gross	-	-	4,250,418	-	-	-	-	-	4,250,418
Loans and advances to customers - gross	-	5,585,069	44,133,263	68,777,424	43,811,458	16,624,087	6,415,590	612,010	185,958,901
Investment securities - gross	82,054	350,458	7,010,018	250,000	-	25,656	2,498,735	7,125,884	17,342,805
Long-term investments - gross	62,432	-	-	-	-	-	-	-	62,432
Fixed assets and investment property	1,276,300	-	-	-	-	-	-	-	1,276,300
Other assets - gross	13,721,150	-	-	-	-	-	-	-	13,721,150
Total assets	57,950,628	5,935,527	70,588,950	70,619,224	45,364,103	16,649,743	8,914,325	7,737,894	283,760,394
Liabilities									
Amounts due to the Government and the SBV	-	-	597,879	484,056	921,132	83,999	-	-	2,087,066
Deposits and borrowings from other CIs	35,736,039	-	24,617,603	4,741,180	3,114,572	2,120,829	5,453,045	5,072,600	80,855,868
Deposits from customers	-	-	41,240,124	25,999,052	43,150,129	34,494,358	4,551,726	17,936	149,453,325
Derivative financial instruments and other financial liabilities	(136,591)	-	-	690	-	-	167,342	-	31,441
Other borrowed and entrusted funds	1,020	-	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	749,900	5,473,200	3,400,000	991,000	859,200	-	11,473,300
Other liabilities	3,987,263	-	-	-	-	-	-	-	3,987,263
Total liabilities	39,587,731	-	67,205,506	36,698,178	50,585,833	37,690,186	11,031,313	5,090,536	247,889,283
Interest sensitivity gap on -balance sheet	18,362,897	5,935,527	3,383,444	33,921,046	(5,221,730)	(21,040,443)	(2,116,988)	2,647,358	35,871,111
Interest sensitivity gap on and off- balance sheet	18,362,897	5,935,527	3,383,444	33,921,046	(5,221,730)	(21,040,443)	(2,116,988)	2,647,358	35,871,111

As of 31 December 2023 (VND million)	Non - sensitive to interest rate	Overdue	Under 1 month	From 1 month to 3 months	From over 3 months to 6 months	From over 6 months to 12 months	From over 1 year to 5 years	Over 5 years	Total
Assets									
Cash and gold	851,299	-	-	-	-	-	-	-	851,299
Balances with the SBV	2,799,895	-	-	-	-	-	-	-	2,799,895
Balances with and loans to other CIs - gross	25,106,394	-	18,401,630	2,300,000	-	2,890,550	-	-	48,698,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	-	-	-	8,353,236
Loans and advances to customers - gross	-	5,503,333	45,739,544	68,904,961	39,370,905	15,981,751	4,150,142	101,257	179,751,893
Investment securities - gross	82,054	350,458	42,001	-	311,002	9,996	865,315	12,725,177	14,386,003
Long-term investments - gross	62,432	-	-	-	-	-	-	-	62,432
Fixed assets and investment property	1,325,882	-	-	-	-	-	-	-	1,325,882
Other assets - gross	13,000,500	-	-	-	-	-	-	-	13,000,500
Total assets	43,228,456	5,853,791	72,536,411	71,204,961	39,681,907	18,882,297	5,015,457	12,826,434	269,229,714
Liabilities									
Amounts due to the Government and the SBV	-	-	439,123	28,361	68,086	2,003,067	-	-	2,538,637
Deposits and borrowings from other CIs	24,103,899	-	21,159,449	3,338,524	1,150,304	3,966,762	8,127,100	4,852,000	66,698,038
Deposits from customers	-	-	43,616,469	27,319,904	46,839,182	23,332,382	3,731,782	287	144,840,006
Derivative financial instruments and other financial liabilities	107,948	-	1,323	33	347	-	(2,520)	-	107,131
Other borrowed and entrusted funds	1,020	-	-	-	-	-	-	-	1,020
Valuable papers issued	-	-	-	2,610,200	1,960,400	9,624,300	2,651,200	-	16,846,100
Other liabilities	4,794,144	-	-	-	-	-	-	-	4,794,144
Total liabilities	29,007,011	-	65,216,364	33,297,022	50,018,319	38,926,511	14,507,562	4,852,287	235,825,076
Interest sensitivity gap on -balance sheet	14,221,445	5,853,791	7,320,047	37,907,939	(10,336,412)	(20,044,214)	(9,492,105)	7,974,147	33,404,638
Interest sensitivity gap on and off- balance sheet	14,221,445	5,853,791	7,320,047	37,907,939	(10,336,412)	(20,044,214)	(9,492,105)	7,974,147	33,404,638

2. Currency risk

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

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

The following table presents currency status of SeABank's assets and liabilities as at 30 June 2024 and 31 December 2023:

As of 30 June 2024	EUR VND million	USD VND million	Other currencies VND million	Total VND million
Assets				
Cash and gold	31,131	95,335	13,095	139,561
Balances with the SBV	-	255,481	-	255,481
Balances with and loans to other CIs - gross	20,101	2,845,001	80,952	2,946,054
Loans and advances to customers - gross	-	2,105,829	-	2,105,829
Other assets - gross	435	397,675	649	398,759
Total assets	51,667	5,699,321	94,696	5,845,684
Liabilities				
Deposits and borrowings from other CIs	-	15,464,417	648	15,465,065
Deposits from customers	43,890	1,607,295	45,995	1,697,180
Derivatives and other financial assets	-	(11,312,980)	25,461	(11,287,519)
Other liabilities	576	356,545	3	357,124
Total liabilities	44,466	6,115,277	72,107	6,231,850
FX position on-balance sheet	7,201	(415,956)	22,589	(386,166)
FX position off-balance sheet	-	(1,886,703)	-	(1,886,703)
Total FX position on and off-balance sheet	7,201	(2,302,659)	22,589	(2,272,869)

As of 31 December 2023

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

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

	Exchange rate as at	
	30/06/2024 VND	31/12/2023 VND
AUD	16,974	16,561
CAD	18,630	18,359
CHF	28,314	28,844
EUR	27,412	26,974
GBP	32,337	31,005
HKD	3,259	3,106
JPY	158.8	171.6
KRW	18.60	19.05
SGD	18,807	18,410
THB	689	706
CNY	2,994	2,994
USD	25,363	24,260
XAU	7,593,000	7,395,000

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 consolidated statement of financial position, In addition, the Bank also faces credit risk in the form of off-balance sheet commitments to extend credit and guarantees,

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

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

As of 30 June 2024	Neither past due nor allowance required VND million	Past due but no allowance required VND million	Allowance made VND million	Total VND million
Balances with the SBV	5,290,439	-	-	5,290,439
Deposits with and loans to other CIs - gross	54,967,471	-	-	54,967,471
Held-for-trading securities - gross	4,250,418	-	-	4,250,418
Loans to customers - gross	177,480,842	3,173,200	5,304,859	185,958,901
Investment securities - gross	16,992,347	-	350,458	17,342,805
Other financial assets - gross	11,056,919	-	29,566	11,086,485
	270,038,436	3,173,200	5,684,883	278,896,519
As of 31 December 2023	Neither past due nor allowance required VND million	Past due but no allowance required VND million	Allowance made VND million	Total VND million
Balances with the SBV	2,799,895	-	-	2,799,895
Deposits with and loans to other CIs - gross	48,698,574	-	-	48,698,574
Held-for-trading securities - gross	8,353,236	-	-	8,353,236
Loans to customers - gross	171,619,510	1,789,943	6,342,440	179,751,893
Investment securities - gross	14,035,545	-	350,458	14,386,003
Other financial assets - gross	10,381,712	-	30,003	10,411,715
	255,888,472	1,789,943	6,722,901	264,401,316

4. Liquidity risk

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

The following table shows the analysis of assets and liabilities of SeABank according to their maturities as at 30 June 2024 and 31 December 2023:

	Overdue		Current				Total
	Up to 3 months	Over 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	
As of 30 June 2024 (VND million)							
Assets							
Cash and gold	-	-	890,478	-	-	-	890,478
Balances with the SBV	-	-	5,290,439	-	-	-	5,290,439
Balances with and loans to other CIs - gross	-	-	51,823,026	1,591,800	1,552,645	-	54,967,471
Held-for-trading securities - gross	-	-	4,250,418	-	-	-	4,250,418
Loans and advances to customers - gross	2,034,099	3,550,970	14,410,583	16,085,067	102,515,175	34,196,412	185,958,901
Investment securities - gross	-	350,458	7,092,072	-	25,656	837,603	17,342,805
Long-term investments - gross	-	-	-	-	-	-	62,432
Fixed assets and investment property	-	-	-	-	-	-	1,276,300
Other assets - gross	-	29,566	2,077,154	2,775,069	5,679,876	2,647,096	13,721,150
Total assets	2,034,099	3,930,994	85,834,170	20,451,936	109,773,352	37,681,111	283,760,394
Liabilities							
Amounts due to the Government and the SBV	-	-	597,879	484,056	1,005,131	-	2,087,066
Deposits and borrowings from other CIs	-	-	60,353,642	4,741,180	5,235,401	5,453,045	80,855,868
Deposits from customers	-	-	41,240,124	25,999,052	77,644,487	4,551,726	149,453,325
Derivative financial instruments and other financial liabilities	-	-	58,918	(188,623)	(6,196)	167,342	31,441
Other borrowed and entrusted funds	-	-	-	-	-	1,020	1,020
Valuable papers issued	-	-	749,900	5,473,200	4,391,000	859,200	11,473,300
Other liabilities	-	-	953,261	974,692	1,894,862	145,197	3,987,263
Total liabilities	-	-	103,953,724	37,483,557	90,164,685	11,177,530	247,889,283
Net liquidity gap	2,034,099	3,930,994	(18,119,554)	(17,031,621)	19,608,667	26,503,581	35,871,111

As of 31 December 2023
(VND million)

	Overdue					Current				Total
	Up to 3 months	Over 3 months	Up to 1 month	From over 1 month to 3 months	From over 3 months to 12 months	From over 1 year to 5 years	Over 5 years			
Assets										
Cash and gold	-	-	851,299	-	-	-	-	-	-	851,299
Balances with the SBV	-	-	2,799,895	-	-	-	-	-	-	2,799,895
Balances with and loans to other CIs - gross	-	-	43,508,024	2,300,000	2,890,550	-	-	-	-	48,698,574
Held-for-trading securities - gross	-	-	8,353,236	-	-	-	-	-	-	8,353,236
Loans and advances to customers - gross	2,020,336	3,482,997	11,982,495	11,929,597	82,720,876	51,990,560	15,625,032	179,751,893		
Investment securities - gross	319,364	31,094	124,055	-	320,998	865,315	12,725,177	14,386,003		
Long-term investments - gross	-	-	-	-	-	-	62,432	62,432		
Fixed assets and investment property	-	-	-	-	-	-	1,325,882	1,325,882		
Other assets - gross	-	-	651,004	2,599,260	7,006,406	1,680,571	1,063,259	13,000,500		
Total assets	2,339,700	3,514,091	68,270,008	16,828,857	92,938,830	54,536,446	30,801,782	269,229,714		
Liabilities										
Amounts due to the Government and the SBV	-	-	439,123	28,361	2,071,153	-	-	2,538,637		
Deposits and borrowings from other CIs	-	-	45,263,348	3,338,524	5,117,066	8,127,100	4,852,000	66,698,038		
Deposits from customers	-	-	43,616,469	27,319,904	70,171,564	3,731,782	287	144,840,006		
Derivative financial instruments and other financial liabilities	-	-	13,061	92,182	4,408	(2,520)	-	107,131		
Other borrowed and entrusted funds	-	-	-	-	-	1,020	-	1,020		
Valuable papers issued	-	-	-	2,610,200	11,584,700	2,651,200	-	16,846,100		
Other liabilities	-	-	1,326,067	797,148	2,443,233	103,144	124,552	4,794,144		
Total liabilities	-	-	90,658,068	34,186,319	91,392,124	14,611,726	4,976,839	235,825,076		
Net liquidity gap	2,339,700	3,514,091	(22,388,060)	(17,357,462)	1,546,706	39,924,720	25,824,943	33,404,638		

VI. Subsequent events after the end of interim accounting period

On 2 August 2024, the State Securities Commission issued Notice No. 4829/UBCK-QLCB announcing that it had received sufficient documents for share issue to pay dividends described in the Bank's Report No. 560/2024/TB-SeABank dated 8 July 2024. On 8 August 2024, the Chairman of the Board of Directors of the Bank issued Notice of share issuance to pay dividends No. 655/2024/TB-SeABank; accordingly, the expected number of shares to be issued is 329 million shares, the right exercise ratio is 100:13.1823, the last registration date for right allocation is 26 August 2024.

On 2 August 2024, the State Securities Commission issued Notice No. 4830/UBCK-QLCB announcing that it had received sufficient documents for share issue plan to increase share capital from equity described in the Bank's Report No. 561/2024/TB-SeABank dated 8 July 2024. On 8 August 2024, the Chairman of the Board of Directors of the Bank issued Notice of share issuance to increase share capital from equity No. 656/2024/TB-SeABank; accordingly, the expected number of shares to be issued is 10.3 million shares, the right exercise ratio is 100:0.4127, the last registration date for right allocation is 26 August 2024.

VII. Seasonal or cyclical factors

1. Foreign exchange differences

As stated in Note IV.2 and Note IV.9, unrealised foreign exchange rate differences are recorded in "Foreign exchange differences" under owners' equity in the consolidated interim financial statements (Note V.20). The balance of the foreign exchange rate differences account will be transferred in full to the consolidated income statement at the end of the annual accounting period.

2. Statutory reserves

The Bank and its subsidiaries are required to make reserves to supplement charter capital and a financial reserve annually (Note IV.20) so the Bank and its subsidiaries will make reserves at the end of the annual accounting period.

VIII. Changes in accounting estimates

There are no changes in SeABank's accounting estimates in preparing and presenting these interim consolidated financial statements compared to the most recent annual consolidated financial statements.

IX. Changes in the Bank's structure

There are no material changes in the structures of the Bank and its subsidiaries for the six-month period ended 30 June 2024 compared.

X. Unusual items

There are no unusual items that may affect the consolidated financial statements of the Bank and its subsidiaries for the six-month period ended 30 June 2024.

XI. Approve the consolidated interim financial statements

The consolidated interim financial statements for the six-month period ended 30 June 2024 are approved by the Board of Management on 14 August 2024.

Prepared by:

Nghiem Thi Thu Nga

14 August 2024

Reviewed by:

Nguyen Thi Hoai Phuong
Chief Accountant

Approved by:



Nguyen Thi Thu Huong
Deputy General Director

