

Southeast Asia Commercial Joint Stock Bank

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



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

The Board of Management of Southeast Asia Commercial Joint Stock Bank (“the Bank”) presents this statement and the accompanying separate interim financial statements of the Bank for the six-month period ended 30 June 2024.

The Board of Management is responsible for the preparation and fair presentation of the accompanying separate 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 separate interim financial statements set out on pages 4 to 64 give a true and fair view of the unconsolidated financial position of the Bank as at 30 June 2024, and of its unconsolidated results of operations and its unconsolidated 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 will not be able to pay its debts as and when they fall due.

The Board of Management has, on the date of this statement, authorised the accompanying separate 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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South Tu Liem District, Hanoi, Vietnam
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INTERIM FINANCIAL STATEMENTS REVIEW REPORT

To the Shareholders Southeast Asia Commercial Joint Stock Bank

We have reviewed the accompanying separate interim financial statements of Southeast Asia Commercial Joint Stock Bank ("the Bank"), which comprise the separate statements of financial position as at 30 June 2024, the separate statements of income and separate 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 64.

Management's Responsibility

The Bank's Board of Management is responsible for the preparation and fair presentation of these separate 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 separate 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 separate 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 separate interim financial statements do not give a true and fair view, in all material respects, of the unconsolidated financial position of Southeast Asia Commercial Joint Stock Bank as at 30 June 2024 and of its unconsolidated results of operations and unconsolidated 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. 24-02-00184-24-1



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

Le Nhật Vương
Practicing Auditor Registration
Certificate No. 3849-2022-007-1

Hanoi, 14 August 2024

SEPARATE 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 | 890,447 | 851,268 |
| II | Balances with the State Bank of Vietnam (“SBV”) | V.2 | 5,290,381 | 2,784,593 |
| III | Balances with and loans to other credit institutions (“CIs”) | V.3 | 57,957,471 | 52,998,574 |
| 1 | Balances with other CIs | | 53,439,715 | 50,108,024 |
| 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 | | 179,532,165 | 173,289,042 |
| 1 | Loans and advances to customers | V.5 | 182,019,207 | 176,077,943 |
| 2 | Allowance for loans and advances to customers | V.6 | (2,487,042) | (2,788,901) |
| VIII | Investment securities | | 16,910,293 | 14,204,712 |
| 1 | Available-for-sale securities | V.7a | 9,910,275 | 13,953,491 |
| 2 | Held-to-maturity securities | V.7b | 7,319,382 | 319,364 |
| 3 | Allowance for investment securities | V.7c | (319,364) | (68,143) |
| IX | Long-term investments | V.8 | 2,818,707 | 2,318,530 |
| 1 | Investment in subsidiaries | | 2,760,000 | 2,260,000 |
| 4 | Other long-term investments | | 59,070 | 59,070 |
| 5 | Allowance for diminution in value of long-term investments | | (363) | (540) |
| X | Fixed assets | | 1,217,929 | 1,265,655 |
| 1 | Tangible fixed assets | V.9 | 507,272 | 549,636 |
| | - Cost | | 1,078,315 | 1,078,032 |
| | - Accumulated depreciation | | (571,043) | (528,396) |
| 3 | Intangible fixed assets | V.10 | 710,657 | 716,019 |
| | - Cost | | 967,801 | 950,649 |
| | - Accumulated amortisation | | (257,144) | (234,630) |
| XII | Other assets | V.11 | 12,907,397 | 12,109,420 |
| 1 | Receivables | | 7,472,376 | 6,802,965 |
| 2 | Accrued interest and fee receivables | | 3,299,231 | 3,277,171 |
| 4 | Other assets | | 2,163,028 | 2,056,959 |
| 5 | Allowance for other on-balance sheet assets | | (27,238) | (27,675) |
| | TOTAL ASSETS | | 281,775,208 | 268,175,030 |

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

SEPARATE 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.12 | 2,087,066 | 2,538,637 |
| II | Deposits and borrowings from other CIs | V.13 | 81,392,830 | 68,352,556 |
| 1 | Deposits from other CIs | | 52,539,042 | 48,701,317 |
| 2 | Borrowings from other CIs | | 28,853,788 | 19,651,239 |
| III | Deposits from customers | V.14 | 150,091,141 | 145,225,061 |
| IV | Derivative and other financial liabilities | V.15 | 31,441 | 107,131 |
| VI | Valuable papers issued | V.16 | 11,473,300 | 16,846,100 |
| VII | Other liabilities | V.17 | 3,936,497 | 4,766,757 |
| 1 | Accrued interest and fee payables | | 2,974,184 | 3,769,648 |
| 3 | Other liabilities | | 962,313 | 997,109 |
| | TOTAL LIABILITIES | | 249,012,275 | 237,836,242 |
| VIII | Owners' equity | V.18 | 32,762,933 | 30,338,788 |
| 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 | | 1,667,379 | 1,667,379 |
| 3 | Foreign exchange differences | | (1,279) | - |
| 5 | Retained earnings | | 6,033,666 | 3,608,242 |
| | TOTAL OWNERS' EQUITY | | 32,762,933 | 30,338,788 |
| | TOTAL LIABILITIES AND OWNERS' EQUITY | | 281,775,208 | 268,175,030 |

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

SEPARATE STATEMENTS OF FINANCIAL POSITION (continued)

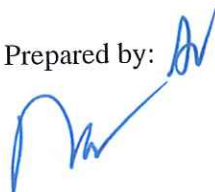
As at 30 June 2024

OFF-BALANCE SHEET ITEMS

| No. | Items | Note | 30/06/2024 | 31/12/2023 |
|-----|---|------|-------------|-------------|
| | | | VND million | VND million |
| 2 | Foreign exchange commitments | | | |
| | Foreign currency purchase commitments | V.33 | 659,438 | 8,707 |
| | Foreign currency sale commitments | V.33 | 2,546,141 | 8,693 |
| | Currency swaps - purchase commitments | V.33 | 55,468,881 | 38,549,140 |
| | Currency swaps - sale commitments | V.33 | 37,955,730 | 25,783,528 |
| 4 | Letters of credit | V.33 | 7,101,233 | 6,602,763 |
| 5 | Other guarantees (warranty guarantee, performance guarantee, advance guarantee) | V.33 | 5,331,206 | 5,212,031 |
| 6 | Interest rate swap contracts | | 8,144,462 | 7,974,600 |
| 7 | Uncollected loan interest and fees | | 2,292,536 | 2,232,223 |
| 8 | Written-off bad debts | | 5,935,668 | 4,950,956 |
| 9 | Other items and documents | | 1,377,814 | 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

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

SEPARATE 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.19 | 9,621,342 | 9,619,221 |
| 2 | Interest and similar expenses | V.20 | (5,306,705) | (6,529,907) |
| I. | Net interest income | | 4,314,637 | 3,089,314 |
| 3 | Fee and commission income | | 404,098 | 451,594 |
| 4 | Fee and commission expenses | | (93,292) | (95,275) |
| II. | Net fee and commission income | V.21 | 310,806 | 356,319 |
| III. | Net gain from trading of foreign currencies | V.22 | 406,431 | 71,443 |
| IV. | Net gain from held-for-trading securities | V.23 | 68,767 | 201,799 |
| V. | Net gain from investment securities | V.24 | 442,516 | 155,999 |
| 5 | Other income | | 110,315 | 208,072 |
| 6 | Other expenses | | (91,485) | (82,154) |
| VI. | Net other income | V.25 | 18,830 | 125,918 |
| VII. | Gains from capital contribution, shares purchase | V.26 | 800 | 37,486 |
| VIII. | Operating expenses | V.27 | (1,697,631) | (1,509,858) |
| IX. | Net operating profit before allowance expenses for credit losses | | 3,865,156 | 2,528,420 |
| X. | Allowance expenses for credit losses | | (695,840) | (490,814) |
| XI. | Profit before tax | | 3,169,316 | 2,037,606 |
| 7 | Corporate income tax expense- current | | (633,892) | (400,232) |
| XII. | Corporate income tax expense | V.28 | (633,892) | (400,232) |
| XIII. | Net profit after tax | | 2,535,424 | 1,637,374 |

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 separate interim financial statements

SEPARATE 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 |
|--|--|--|
| CASH FLOWS FROM OPERATING ACTIVITIES | | |
| 01. Interest and similar income received | 9,599,282 | 8,677,704 |
| 02. Interest and similar expenses paid | (6,102,169) | (6,101,996) |
| 03. Net fees and commission income received | 310,806 | 356,319 |
| 04. Net receipts/payments from foreign currencies and securities trading | 1,168,935 | 429,241 |
| 05. Other (expenses)/income | (6,562) | 92,534 |
| 06. Collections of bad debts previously written off | 25,291 | 33,384 |
| 07. Payments for personnel and operating expenses | (1,629,424) | (1,451,450) |
| 08. Corporate income tax paid during the period | (666,233) | (554,862) |
| Net cash flows from operating activities before changes in operating assets and liabilities | 2,699,926 | 1,480,874 |
| <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 | (7,452,577) |
| 11. Changes in derivatives and other financial assets | (75,690) | (91,854) |
| 12. Changes in loans and advances to customers | (5,941,264) | (8,639,917) |
| 13. Utilisation of allowance for impairment of assets | (997,699) | (186,414) |
| 14. Changes in other operating assets | (777,119) | (3,004,510) |
| <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 | 13,040,274 | 5,204,569 |
| 17. Changes in deposits from customers | 4,866,080 | 8,059,663 |
| 18. Changes in valuable papers issued | (5,372,800) | 50,500 |
| 20. Changes in other operating liabilities | (112,455) | (125,372) |
| I. Net cash flows from operating activities | 13,396,510 | (6,066,346) |

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

SEPARATE 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 |
|--|--|--|
| CASH FLOWS FROM INVESTING ACTIVITIES | | |
| 01. Purchase of fixed assets | (20,735) | (148,225) |
| 02. Receipts from sales, disposal of fixed assets | 101 | - |
| 07. Payments for investments in other entities | (500,000) | - |
| 09. Receipts of dividends and distributions from capital contribution, long-term investments | 800 | 37,486 |
| II. Net cash flows used in investing activities | (519,834) | (110,739) |
| IV. Net cash flows during the period | 12,876,676 | (6,177,085) |
| V. Cash and cash equivalents at the beginning of the period | 53,743,885 | 55,306,145 |
| VII. Cash and cash equivalents at the end of the period (Note V.29) | 66,620,561 | 49,129,060 |

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 SEPARATE 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 separate interim financial statements.

I. Corporate 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 (as 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% |

4. Total number of employees

As at 30 June 2024, the Bank had 5,204 employees (as at 31 December 2023: 5,207 employees).

III. Basis of preparation

1. Statement of compliance

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

The Bank has also prepared the consolidated interim financial statements of the Bank and its subsidiaries (collectively referred to as "SeABank") in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions stipulated by the State Bank of Vietnam and the relevant statutory requirements applicable to interim financial reporting. For a comprehensive understanding of SeABank's consolidated financial position, their consolidated results of operations and consolidated cash flows, these separate interim financial statements should be read in conjunction with the consolidated interim financial statements for the six-month period ended 30 June 2024.

2. Basis of measurement

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

3. Annual accounting period

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

4. Accounting and reporting currency

The Bank's accounting currency is Vietnam Dong ("VND"). These separate 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 the Bank in the preparation of these separate 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.1 and Note IV.8.

1. Foreign currency

Foreign currency transactions

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

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

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

Foreign exchange differences arising from revaluation of monetary items denominated in foreign currencies as at the end of the 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 separate statement of income.

2. Cash and cash equivalents

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

3. Balances with and loans to other credit institutions

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

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

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

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

4. Held-for-trading securities and investment securities

a) *Classification*

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

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

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

b) *Recognition*

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

c) *Measurement*

Debt securities

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

For debt investment securities, the Bank initially records at cost including transaction costs and other directly attributable costs. They are subsequently measured at amortised cost (affected by premium/discount amortisation) less allowance 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, the Bank will not make allowance for diminution in value of these investments.

For debt securities of enterprises that is unlisted corporate bonds, the Bank provides allowance for credit risk of such securities in accordance with the accounting policy as described in Note IV.7.

An allowance for 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 separate statement of income upon receipt (cash basis).

Interest income after acquisition of investment debt securities is recognised in the separate 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.7 which are recorded upon receipt (cash basis). The accumulated interest income before acquisition date is recognised as a decrease in cost upon received.

d) De-recognition

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

5. Long-term investments

a) Investments in subsidiaries

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

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

b) Other long-term investments

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

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

Allowance for diminution in value of other long-term investments is made when the invested economic entities suffer losses causing impairment to the investment by the Bank, 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 the Bank's ownership percentage in the investee.

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

6. Loans and advances to customers

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

Short-term loans are those with maturity term of 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.

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

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

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

a) *Debt classification*

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

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

is stipulated in Article 10 of Circular 11.

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

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

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

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

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

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

The Bank has adopted Circular No. 02/2023/TT-NHNN dated 23 April 2023 ("Circular 02") issued by the SBV on providing regulations on rescheduling of debt repayment term and keeping debt group unchanged in order to support customers in difficulties and Circular No. 06/2024/TT-NHNN dated 18 June 2024 ("Circular 06") issued by the SBV on amending and supplementing to some articles of Circular 02. 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 31 December 2024;
- with the outstanding debt balance being undue or up to 10 (ten) days overdue from the due date according to the contract/agreement;
- the borrower is evaluated by the Bank as being unable to repay the principal and/or interest on schedule under the signed loan contract, agreement due to decrease in revenue or income compared to that in the plan for repayment of loan principals and/or interests under the contract or agreement; and evaluated by the Bank as being able to pay off the loan principal and/or interest on the rescheduled due date, and
- not in violation of laws;

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

b) Specific allowance for credit losses

According to Circular 11, the Bank makes specific allowance for credit 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:

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

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

Maximum discount rates for collateral assets are determined as follows:

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

Additional specific allowance in accordance with Circular 02

The Bank also determines and makes additional specific allowance for the entire outstanding loans balance having rescheduled repayment term and debt group kept unchanged in accordance with Circular 02 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 debts balance at the last day of each month for debts classified from debts group 1 to debts group 4, except for the followings:

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

d) *Write-off of bad debts*

According to the requirements of Circular 11, debts are written off against the allowance when they have been classified to Group 5 or when borrowers have been declared bankrupt or dissolved (for borrowers being organisations and enterprises) or borrowers are deceased or missing (for borrowers being individuals). Debts written-off against allowance are recorded as off-balance sheet items for following up and collection. The amounts collected from the debts previously written-off are recognised in the separate 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 the Bank has been required to make payment under the guarantee contract, in which case the payment on behalf is classified and allowance is made for in accordance with policy in Note IV.7.

8. Derivative financial instruments

a) *Currency derivative contracts*

The Bank involves in derivative contracts including forward contracts, swaps contracts to 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 separate interim statements of financial position and are fully transferred to the separate 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 separate statement of income on a straight-line basis over the term of the contracts.

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

b) Interest rate derivative contracts

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

9. Tangible fixed assets

a) Cost

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

10. Intangible fixed assets

Software

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

Land use rights

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

11. Other assets

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

For other assets that are not classified as credit risk assets and are overdue, allowance 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% |

12. Provision

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

13. Deposits from customers

Deposits from customers are stated at cost.

14. Valuable papers issued

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

15. Other payables

Other payables are stated at cost.

16. Share capital

Ordinary shares

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

Share premium

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

17. Reserves and funds

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

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

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

Other equity funds are 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.

18. Bonus and welfare fund

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

19. Revenue and other income

a) *Interest income*

Interest income is recognized in the separate interim statement of income on an accrual basis, except for interest on debts classified in Group 2 to Group 5 as described in Note IV.7 and debts kept unchanged in Group 1 as a result of adoption of Circular 02 and Circular 06 as described in Note IV.7 which is recognised upon receipt.

When debts are classified in Group 2 to Group 5 as described in Note IV.7 or kept unchanged in Group 1 as a result of adoption of Circular 02 and Circular 06 as described in Note IV.7, interest receivable will be recorded as an off-balance sheet item. Interest on these debts is recognised in the separate interim statement of income upon receipt.

b) *Fee and commission income*

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

c) *Income from investing activities*

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

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

20. Interest expenses

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

21. Fee and commission expenses

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

22. Operating lease payments

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

23. Taxation

Income tax on the profit for the period comprises current and deferred tax. Income tax is recognised in the separate 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.

24. Related parties

Related parties of the Bank include:

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

25. Commitments and contingent liabilities

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

26. Financial instruments

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

a) *Financial assets*

Financial assets at fair value through profit or loss

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

Held-to-maturity investments

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

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

Loans and receivables

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

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

Available-for-sale financial assets

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

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

b) *Financial liabilities*

Financial liabilities at fair value through profit or loss

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

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

Financial liabilities carried at amortised cost

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

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

27. Comparative information

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

28. 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 separate interim financial statements are deemed to have nil balance.

V. Notes to the separate interim financial statements

1. Cash and gold on hand

| | 30/06/2024 VND million | 31/12/2023 VND million |
|------------------------------------|---------------------------|---------------------------|
| Cash on hand in VND | 750,679 | 683,570 |
| Cash on hand in foreign currencies | 135,059 | 141,070 |
| Gold | 4,709 | 26,628 |
| | 890,447 | 851,268 |

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 | 4,934,900 | 2,350,492 |
| Current accounts at the SBV in foreign currencies | 255,481 | 334,101 |
| Guarantee deposits in VND | 100,000 | 100,000 |
| | 5,290,381 | 2,784,593 |

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 | 42,048,755 | 41,645,650 |
| Term deposits in VND | 39,892,900 | 30,789,300 |
| Term deposits in foreign currencies | 2,155,855 | 10,856,350 |
| | 53,439,715 | 50,108,024 |
| 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> | - |
| | 4,517,756 | 2,890,550 |
| | 57,957,471 | 52,998,574 |

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 | 46,566,511 | 44,536,200 |

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 |
| Certificates of deposit 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 | 31/12/2023 |
|--------------|--------------------|--------------------|
| | VND million | 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 | 31/12/2023 |
|--|--------------------|--------------------|
| | VND million | VND million |
| Loans to local economic entities and individuals | 181,679,504 | 175,739,826 |
| Payments on behalf of customers | 9,915 | 6,965 |
| Loans to foreign economic entities and individuals | 329,788 | 331,152 |
| | 182,019,207 | 176,077,943 |

Loans portfolio by quality:

| | 30/06/2024 | 31/12/2023 |
|-------------------|--------------------|--------------------|
| | VND million | VND million |
| Current | 177,473,305 | 171,362,072 |
| Special mentioned | 1,395,723 | 1,464,395 |
| Sub-standard | 189,348 | 296,530 |
| Doubtful | 564,244 | 804,654 |
| Loss | 2,396,587 | 2,150,292 |
| | 182,019,207 | 176,077,943 |

Loans portfolio by term:

| | 30/06/2024 | 31/12/2023 |
|-------------------|--------------------|--------------------|
| | VND million | VND million |
| Short-term loans | 75,655,262 | 62,249,870 |
| Medium-term loans | 81,142,446 | 86,149,871 |
| Long-term loans | 25,221,499 | 27,678,202 |
| | 182,019,207 | 176,077,943 |

Loans portfolio by currency:

| | 30/06/2024 | 31/12/2023 |
|-----------------------------|--------------------|--------------------|
| | VND million | VND million |
| Loans in VND | 179,913,378 | 174,028,525 |
| Loans in foreign currencies | 2,105,829 | 2,049,418 |
| | 182,019,207 | 176,077,943 |

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 | 31/12/2023 |
|--|--------------------|--------------------|
| | VND million | 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 | 64,729,828 | 58,865,732 |
| Other limited liability companies | 82,490,289 | 77,733,817 |
| Private companies | 66,057 | 112,657 |
| Foreign invested enterprises | 362,490 | 400,056 |
| Cooperatives, cooperative unions | 42,457 | 22,656 |
| Households and individuals | 30,459,073 | 34,084,482 |
| Others | 6,224 | 7,460 |
| | 182,019,207 | 176,077,943 |

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) | 1,347,170 | 1,304,725 |
| Specific allowance (ii) | 1,139,872 | 1,484,176 |
| | 2,487,042 | 2,788,901 |

(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 | 1,304,725 | 1,106,290 |
| Allowance made during the period | 42,445 | 63,985 |
| Closing balance | 1,347,170 | 1,170,275 |

(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 | 1,484,176 | 1,170,275 |
| Allowance made during the period | 653,395 | 426,829 |
| Utilisation of allowance during the period | (997,699) | (186,414) |
| Closing balance | 1,139,872 | 1,410,690 |

7. Investment securities

a. Available-for-sale securities

| | 30/06/2024 VND million | 31/12/2023 VND million |
|---|---------------------------|---------------------------|
| Debt securities | | |
| in which: | | |
| - 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 |

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 group 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 | 319,364 | 319,364 |
| | 7,319,382 | 319,364 |

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 |
| Bills issued by the SBV | 10 years | 8.90% | 10 years | 8.90% |
| Bonds issued by local economics entities | 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 group was as follows::

| | 30/06/2024 VND million | 31/12/2023 VND million |
|---------|---------------------------|---------------------------|
| Current | - | 319,364 |
| Loss | 319,364 | - |
| | 319,364 | 319,364 |

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 investment securities (ii) | 319,364 | 63,873 |
| | 319,364 | 68,143 |

(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 | 63,873 | - |
| Allowance made during the period | 255,491 | - |
| Closing balance | 319,364 | - |

8. Long-term investments

| | 30/06/2024 VND million | 31/12/2023 VND million |
|--|---------------------------|---------------------------|
| Investment in subsidiaries (i) | 2,760,000 | 2,260,000 |
| Other long-term investments (ii) | 59,070 | 59,070 |
| Allowance for diminution in value of long-term investments (iii) | (363) | (540) |
| | 2,818,707 | 2,318,530 |

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

| | 30/06/2024 | | 31/12/2023 | |
|--|---------------------|------|---------------------|------|
| | Cost VND million | % | Cost VND million | % |
| SeABank Asset Management Company Limited | 1,000,000 | 100% | 500,000 | 100% |
| Post and Telecommunication Finance Company Limited (*) | 1,760,000 | 100% | 1,760,000 | 100% |
| | 2,760,000 | | 2,260,000 | |

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

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

| | 30/06/2024 | | 31/12/2023 | |
|--|---------------------|-------|---------------------|-------|
| | Cost VND million | % | Cost VND million | % |
| National Payment Corporation of Vietnam | 3,300 | 1.06% | 3,300 | 1.06% |
| PetroVietnam Oil Mien Trung Joint Stock Company | 4,800 | 1.59% | 4,800 | 1.59% |
| PetroVietnam Oil Saigon Joint Stock Company | 10,000 | 5.00% | 10,000 | 5.00% |
| PetroVietnam Oil Vung Tau Joint Stock Company | 10,000 | 8.33% | 10,000 | 8.33% |
| Phu My Oil Processing Joint Stock Company | 11,000 | 2.20% | 11,000 | 2.20% |
| PetroVietnam Oil Tay Ninh Joint Stock Company | 12,470 | 9.59% | 12,470 | 9.59% |
| PetroVietnam Oil Hanoi Joint Stock Company | 7,500 | 2.83% | 7,500 | 2.83% |
| | 59,070 | | 59,070 | |

(iii) 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.27) | (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 | 478,943 | 422,604 | 117,513 | 39,897 | 1,078,032 |
| Additions | - | 256 | 1,423 | 1,544 | 360 | 3,583 |
| Other increase | - | - | 360 | - | - | 360 |
| Disposals | (286) | (528) | (627) | (1,976) | (243) | (3,660) |
| Closing balance | 18,789 | 478,671 | 423,760 | 117,081 | 40,014 | 1,078,315 |
| Accumulated depreciation | | | | | | |
| Opening balance | 6,712 | 193,281 | 223,408 | 92,611 | 12,384 | 528,396 |
| Charge for the period | 427 | 18,668 | 19,336 | 5,246 | 2,270 | 45,947 |
| Other increase | - | - | 360 | - | - | 360 |
| Disposals | (286) | (528) | (627) | (1,976) | (243) | (3,660) |
| Closing balance | 6,853 | 211,421 | 242,477 | 95,881 | 14,411 | 571,043 |
| Net book value | | | | | | |
| Opening balance | 12,363 | 285,662 | 199,196 | 24,902 | 27,513 | 549,636 |
| Closing balance | 11,936 | 267,250 | 181,283 | 21,200 | 25,603 | 507,272 |

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 | 319,227 | 395,662 | 115,843 | 22,350 | 872,157 |
| Additions | - | 96,035 | 5,869 | 1,748 | 206 | 103,858 |
| Disposals | - | - | - | - | - | - |
| Closing balance | 19,075 | 415,262 | 401,531 | 117,591 | 22,556 | 976,015 |
| Accumulated depreciation | | | | | | |
| Opening balance | 5,842 | 162,380 | 186,000 | 83,140 | 9,705 | 447,067 |
| Charge for the period | 441 | 13,794 | 18,217 | 5,820 | 1,279 | 39,551 |
| Disposals | - | - | - | - | - | - |
| Closing balance | 6,283 | 176,174 | 204,217 | 88,960 | 10,984 | 486,618 |
| Net book value | | | | | | |
| Opening balance | 13,233 | 156,847 | 209,662 | 32,703 | 12,645 | 425,090 |
| Closing balance | 12,792 | 239,088 | 197,314 | 28,631 | 11,572 | 489,397 |

Included in tangible fixed assets were assets costing VND91,252 million which were fully depreciated as of 30 June 2024 (31 December 2023: VND84,917 million), but still in active use.

10. Intangible fixed assets

For the six-month period ended 30 June 2024

| | Land - use rights | Computer software | Other intangible fixed assets | Total |
|---------------------------------|----------------------|----------------------|----------------------------------|----------------|
| | VND million | VND million | VND million | VND million |
| Cost | | | | |
| Opening balance | 384,373 | 558,120 | 8,156 | 950,649 |
| Additions | - | 17,152 | - | 17,152 |
| Closing balance | 384,373 | 575,272 | 8,156 | 967,801 |
| Accumulated amortisation | | | | |
| Opening balance | - | 228,904 | 5,726 | 234,630 |
| Charge for the period | - | 22,132 | 382 | 22,514 |
| Closing balance | - | 251,036 | 6,108 | 257,144 |
| Net book value | | | | |
| Opening balance | 384,373 | 329,216 | 2,430 | 716,019 |
| Closing balance | 384,373 | 324,236 | 2,048 | 710,657 |

For the six-month period ended 30 June 2023

| | Land - use rights | Computer software | Other intangible fixed assets | Total |
|---------------------------------|----------------------|----------------------|----------------------------------|----------------|
| | VND million | VND million | VND million | VND million |
| Cost | | | | |
| Opening balance | 384,373 | 456,578 | 8,156 | 849,107 |
| Additions | - | 44,367 | - | 44,367 |
| Closing balance | 384,373 | 500,945 | 8,156 | 893,474 |
| Accumulated amortisation | | | | |
| Opening balance | - | 188,543 | 4,662 | 193,205 |
| Charge for the period | - | 18,755 | 681 | 19,436 |
| Closing balance | - | 207,298 | 5,343 | 212,641 |
| Net book value | | | | |
| Opening balance | 384,373 | 268,035 | 3,494 | 655,902 |
| Closing balance | 384,373 | 293,647 | 2,813 | 680,833 |

Included in intangible fixed assets were assets costing VND47,441 million which were fully amortised as of 30 June 2024 (31 December 2023: VND45,535 million), but still in active use.

11. Other assets

| | 30/06/2024 VND million | 31/12/2023 VND million |
|--|---------------------------|---------------------------|
| Receivables | 7,472,376 | 6,802,965 |
| Internal receivables | 404,289 | 439,452 |
| External receivables | 7,068,087 | 6,363,513 |
| Interest and fee receivables | 3,299,231 | 3,277,171 |
| Other assets | 2,163,028 | 2,056,959 |
| Allowance for other on-balance sheet assets (i) | (27,238) | (27,675) |
| | 12,907,397 | 12,109,420 |

(i) Movements in allowance for other on-balance sheet assets 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 | 27,675 | 27,393 |
| Reversed during the period (Note V.27) | (437) | - |
| Closing balance | 27,238 | 27,393 |

12. 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 |

13. Deposits and borrowings from other credit institutions

| | 30/06/2024 VND million | 31/12/2023 VND million |
|---|---------------------------|---------------------------|
| Demand deposits from other credit institutions | 11,046,187 | 9,368,417 |
| In VND | 11,046,179 | 9,368,409 |
| In foreign currencies | 8 | 8 |
| 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 |
| | 52,539,042 | 48,701,317 |
| | | |
| 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 |
| | 81,392,830 | 68,352,556 |

- (i) Included in the balance 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 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% |

14. Deposits from customers

| | 30/06/2024 VND million | 31/12/2023 VND million |
|--|---------------------------|---------------------------|
| Demand deposits | 19,080,855 | 15,805,795 |
| - Demand deposits in VND | 18,204,748 | 15,094,862 |
| - Demand deposits in gold and foreign currencies | 876,107 | 710,933 |
| Term deposits | 130,051,804 | 128,512,764 |
| - Term deposits in VND | 129,599,734 | 128,059,843 |
| - Term deposits in gold and foreign currencies | 452,070 | 452,921 |
| Deposits for special purpose | 361,983 | 410,674 |
| Margin deposits | 596,499 | 495,828 |
| | 150,091,141 | 145,225,061 |

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 | 9,864,007 | 8,891,904 |
| 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 |
| | 150,091,141 | 145,225,061 |

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% |

15. Derivatives and other financial liabilities

| | Total contract value (at exchange rate as of contract effective date) VND million | Net book value (at exchange rate as of reporting date) | | |
|---------------------------------|--|--|--------------------|------------------|
| | | Assets | Liabilities | Net value |
| | | VND million | VND million | VND million |
| 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) |

16. Valuable papers issued

| | 30/06/2024 VND million | 31/12/2023 VND million |
|---------------------------------------|---------------------------|---------------------------|
| Term bonds | 4,850,000 | 5,849,000 |
| - 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% |

17. Other liabilities

| | 30/06/2024 | 31/12/2023 |
|--|--------------------|--------------------|
| | VND million | VND million |
| Internal payables | 30,356 | 7,259 |
| External payables | 3,690,450 | 4,614,516 |
| In which: | | |
| - <i>Accrued interest and fee payables</i> | 2,974,184 | 3,769,648 |
| - <i>Deferred income</i> | 8,728 | 328 |
| - <i>Taxes and others payable to State Treasury (Notes V.30)</i> | 530,460 | 577,126 |
| - <i>Other payables</i> | 177,078 | 267,414 |
| Bonus and welfare fund | 215,691 | 144,982 |
| | 3,936,497 | 4,766,757 |

18. Owners' equity

Changes in owner's equity during the period were as follows:

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 | 1,286,535 | 380,844 | - | 3,608,242 | 30,338,788 |
| Net profit for the period | - | - | - | - | - | 2,535,424 | 2,535,424 |
| Foreign exchange differences | - | - | - | - | (1,279) | - | (1,279) |
| Appropriation to bonus and welfare fund | - | - | - | - | - | (110,000) | (110,000) |
| Balance at 30 June 2024 | 24,957,000 | 106,167 | 1,286,535 | 380,844 | (1,279) | 6,033,666 | 32,762,933 |

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 | 915,527 | 195,340 | - | 3,522,673 | 26,240,707 |
| Net profit for the period | - | - | - | - | - | 1,637,374 | 1,637,374 |
| Foreign exchange differences | - | - | - | - | (1,359) | - | (1,359) |
| Appropriation to bonus and welfare fund | - | - | - | - | - | (116,000) | (116,000) |
| Balance at 30 June 2023 | 20,402,983 | 1,204,184 | 915,527 | 195,340 | (1,359) | 5,044,047 | 27,760,722 |

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.

19. 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 | 771,574 | 938,126 |
| Interest income from loans | 8,477,374 | 8,130,071 |
| Interest income from investments in securities | 253,906 | 432,383 |
| Income from guarantee services | 46,844 | 52,741 |
| Other income from credit activities | 71,644 | 65,900 |
| | 9,621,342 | 9,619,221 |

20. 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 | 3,808,844 | 5,095,324 |
| Interest expenses for borrowings | 795,735 | 755,906 |
| Interest expenses for valuable papers issued | 443,431 | 633,681 |
| Other expenses for credit activities | 258,695 | 44,996 |
| | 5,306,705 | 6,529,907 |

21. 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 | 404,098 | 451,594 |
| - 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 | 146,681 | 152,463 |
| Fee and commission expenses | (93,292) | (95,275) |
| - Expense for settlement and cash services | (36,601) | (38,646) |
| - Expense for treasury services | (8,392) | (8,356) |
| - Expense for other services | (48,299) | (48,273) |
| | 310,806 | 356,319 |

22. 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 |

23. 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 |

24. 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) | - |
| | 442,516 | 155,999 |

25. 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 | 110,315 | 208,072 |
| - Income from other derivatives | 81,576 | 171,560 |
| - Income from other activities | 28,739 | 36,512 |
| Expenses for other activities | (91,485) | (82,154) |
| - Expenses for other derivatives | (85,522) | (77,084) |
| - Expenses for other activities | (5,963) | (5,070) |
| | 18,830 | 125,918 |

26. 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 | 800 | 7,837 |
| Profit distributed from the subsidiary | - | 29,649 |
| | 800 | 37,486 |

27. Operating expenses

| | Six-month period ended 30/06/2024 VND million | Six-month period ended 30/06/2023 VND million |
|---|--|--|
| Tax, duties and fees | 22,159 | 21,660 |
| Staff costs | 936,614 | 832,917 |
| <i>In which:</i> | | |
| - <i>Salary and allowances</i> | 870,739 | 762,689 |
| - <i>Salary based contribution</i> | 56,749 | 52,376 |
| - <i>Allowances</i> | 233 | 66 |
| - <i>Others</i> | 8,893 | 17,786 |
| Expenses on assets | 335,337 | 296,066 |
| - <i>Depreciation and amortisation of fixed assets</i> | 68,461 | 58,987 |
| - <i>Others</i> | 266,876 | 237,079 |
| Administrative expenses | 247,889 | 227,722 |
| - <i>Per diems</i> | 17,445 | 15,771 |
| - <i>Printing materials and papers</i> | 12,439 | 16,679 |
| - <i>Postage and telephone expenses</i> | 14,682 | 14,507 |
| - <i>Others</i> | 203,323 | 180,765 |
| Insurance fee for customers' deposits | 67,575 | 54,912 |
| Other expenses | 88,671 | 77,160 |
| 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.11) | (437) | - |
| | 1,697,631 | 1,509,858 |

28. 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") | 3,169,316 | 2,037,606 |
| Adjustments for: | | |
| - Dividend income and other tax-exempted income | (800) | (37,486) |
| - Non-deductible expenses | 944 | 1,042 |
| Taxable profit | 3,169,460 | 2,001,162 |
| Corporate income tax rate | 20% | 20% |
| Corporate income tax expense | <u>633,892</u> | <u>400,232</u> |

29. Cash and cash equivalents

| | 30/06/2024 VND million | 31/12/2023 VND million |
|---|---------------------------|---------------------------|
| Cash and gold | 890,447 | 851,268 |
| Balances with the SBV | 5,290,381 | 2,784,593 |
| Current accounts at other CIs | 11,390,960 | 8,462,374 |
| Term deposits at other CIs with terms of not exceeding 3 months | 42,048,755 | 41,645,650 |
| Bills issued by the SBV with terms of not exceeding 3 months | 7,000,018 | - |
| | <u>66,620,561</u> | <u>53,743,885</u> |

30. 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 | 21,923 | 50,118 | (64,280) | 7,761 |
| Corporate income tax | 546,233 | 633,892 | (666,233) | 513,892 |
| Personal income tax | 8,970 | 105,687 | (105,850) | 8,807 |
| Other taxes | - | 41,636 | (41,636) | - |
| | <u>577,126</u> | <u>831,333</u> | <u>(877,999)</u> | <u>530,460</u> |

For the 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 | 11,653 | 29,019 | (33,006) | 7,666 |
| Corporate income tax | 389,310 | 400,232 | (554,862) | 234,680 |
| Personal income tax | 7,248 | 89,029 | (88,451) | 7,826 |
| Other taxes | - | 24,516 | (24,516) | - |
| | 408,211 | 542,796 | (700,835) | 250,172 |

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

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

| | Total loans to customers and other CIs VND million | Total deposits from customers and other CIs VND million | Contingent credit commitments VND million | Derivatives and other financial liabilities (net) VND million | Held- for-trading securities and investment securities VND million |
|----------|---|--|--|--|---|
| Domestic | 186,207,175 | 202,538,129 | 12,432,439 | 31,441 | 21,480,075 |
| Overseas | 329,788 | 92,054 | - | - | - |
| | 186,536,963 | 202,630,183 | 12,432,439 | 31,441 | 21,480,075 |

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

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

32. Significant transactions and balances with related parties

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

| Related parties | Relationship |
|---|-----------------------|
| SeABank Asset Management Company Limited | Subsidiary |
| Post and Telecommunication Finance Company Limited | Subsidiary |
| Thang Long GTC Joint Stock Company | Common members of BOD |
| BRG Group Joint Stock Company ("BRG") and its subsidiaries | Common members of BOD |
| 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 VND million | 31/12/2023 VND million |
|---|---------------------------|---------------------------|
| <i>SeABank Asset Management Company Limited</i> | | |
| Capital contribution from the Bank | 1,000,000 | 500,000 |
| Demand deposits at the Bank | 1,463 | 11,202 |
| Term deposits at the Bank | 636,500 | 374,000 |
| Other payables to the Bank | 17,324 | 11,164 |
| Other receivables from the Bank | 2,411 | 26,215 |
| Borrowings from the Bank | - | 274,352 |
| <i>Post and Telecommunication Finance Company Limited</i> | | |
| Capital contribution from the Bank | 1,760,000 | 1,760,000 |
| Demand deposits at the Bank | 536,962 | 1,654,518 |
| Term deposits from the Bank | 2,990,000 | 4,300,000 |
| Other payables to the Bank | 21,084 | 7,718 |
| <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 ("BRG") 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 |
|--|--|--|
| <i>SeABank Asset Management Company Limited</i> | | |
| Capital contribution | 500,000 | - |
| Office rental expenses | 1,877 | 1,820 |
| Interest expenses on deposits | 7,439 | 11,164 |
| Interest income from loans | 3,747 | - |
| Income from capital contribution | - | 29,649 |
| <i>Post and Telecommunication Finance Company Limited</i> | | |
| Interest expenses on deposits | 117 | 157 |
| Interest income from certificates of deposit | - | 58,739 |
| Interest income from deposits | 59,526 | 77,370 |
| <i>Thang Long GTC Joint Stock Company</i> | | |
| Interest expenses for deposits | 7,935 | 13,061 |
| <i>BRG Group Joint Stock Company and its subsidiaries</i> | | |
| Interest expenses for deposits | 11,197 | 10,152 |
| Fee income from guarantees | - | 9,110 |
| <i>Vietnam Aircraft Leasing Joint Stock Company</i> | | |
| Interest expenses for deposits | 9,114 | - |
| <i>North Hanoi Smart City Development Investment Joint Stock Company</i> | | |
| 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 |

33. 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 swaps contracts | 8,144,462 | - | 8,144,462 | 7,974,600 | - | 7,974,600 |

34. 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) | 5,238 | 5,048 |
| Employees' income | 870,739 | 762,689 |
| Bonus and incentives | 31,917 | 25,059 |
| | 902,656 | 787,748 |
| Average monthly income (VND million/person/month) | 28.72 | 26.01 |

VI. Financial risk management

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

1. Interest rate risk

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

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

| 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 | 890,447 | - | - | - | - | - | - | - | 890,447 |
| Balances with the SBV | 5,290,381 | - | - | - | - | - | - | - | 5,290,381 |
| Balances with and loans to other CIs - gross | 36,627,775 | - | 17,055,251 | 2,721,800 | 1,552,645 | - | - | - | 57,957,471 |
| Held-for-trading securities - gross | - | - | 4,250,418 | - | - | - | - | - | 4,250,418 |
| Loans and advances to customers - gross | - | 4,545,902 | 43,940,513 | 67,850,568 | 43,424,349 | 16,540,291 | 5,105,574 | 612,010 | 182,019,207 |
| Investment securities - gross | - | 319,364 | 7,010,018 | 250,000 | - | 25,656 | 2,498,735 | 7,125,884 | 17,229,657 |
| Long-term investments - gross | 2,819,070 | - | - | - | - | - | - | - | 2,819,070 |
| Fixed assets | 1,217,929 | - | - | - | - | - | - | - | 1,217,929 |
| Other assets - gross | 12,934,635 | - | - | - | - | - | - | - | 12,934,635 |
| Total assets | 59,780,237 | 4,865,266 | 72,256,200 | 70,822,368 | 44,976,994 | 16,565,947 | 7,604,309 | 7,737,894 | 284,609,215 |
| 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 | 36,273,002 | - | 24,617,602 | 4,741,180 | 3,114,572 | 2,120,829 | 5,453,045 | 5,072,600 | 81,392,830 |
| Deposits from customers | - | - | 41,741,587 | 26,105,052 | 43,180,629 | 34,494,358 | 4,551,579 | 17,936 | 150,091,141 |
| Derivative and other financial liabilities | (136,591) | - | - | 690 | - | - | 167,342 | - | 31,441 |
| Valuable papers issued | - | - | 749,900 | 5,473,200 | 3,400,000 | 991,000 | 859,200 | - | 11,473,300 |
| Other liabilities | 3,936,497 | - | - | - | - | - | - | - | 3,936,497 |
| Total liabilities | 40,072,908 | - | 67,706,968 | 36,804,178 | 50,616,333 | 37,690,186 | 11,031,166 | 5,090,536 | 249,012,275 |
| Interest sensitivity gap on-balance sheet | 19,707,329 | 4,865,266 | 4,549,232 | 34,018,190 | (5,639,339) | (21,124,239) | (3,426,857) | 2,647,358 | 35,596,940 |
| Interest sensitivity gap on and off- balance sheet | 19,707,329 | 4,865,266 | 4,549,232 | 34,018,190 | (5,639,339) | (21,124,239) | (3,426,857) | 2,647,358 | 35,596,940 |

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

2. Currency risk

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

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

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

As at 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 | - | 15,464,425 | 648 | 15,465,073 |
| Deposits from customers | 43,890 | 1,607,295 | 45,995 | 1,697,180 |
| Derivatives and other financial instruments | - | (11,312,980) | 25,461 | (11,287,519) |
| Other liabilities | 576 | 356,545 | 3 | 357,124 |
| Total liabilities | 44,466 | 6,115,285 | 72,107 | 6,231,858 |
| FX position on-balance sheet | 7,201 | (415,964) | 22,589 | (386,174) |
| FX position off-balance sheet | - | (1,886,703) | - | (1,886,703) |
| Total FX position on and off- balance sheet | 7,201 | (2,302,667) | 22,589 | (2,272,877) |

As at 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 | - | 16,027,459 | 701 | 16,028,160 |
| Deposits from customers | 47,406 | 1,453,957 | 34,081 | 1,535,444 |
| Other liabilities | 579 | 403,821 | 13,099 | 417,499 |
| Total liabilities | 47,985 | 17,885,237 | 47,881 | 17,981,103 |
| FX position on-balance sheet | (370) | (40,291) | 49,196 | 8,535 |
| FX position off-balance sheet | 5,395 | (8,693) | 3,312 | 14 |
| Total FX position on and off-balance sheet | 5,025 | (48,984) | 52,508 | 8,549 |

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

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

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

| As 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 | 5,290,381 | - | - | 5,290,381 |
| Deposits with and loans to other CIs - gross | 57,957,471 | - | - | 57,957,471 |
| Held-for-trading securities - gross | 4,250,418 | - | - | 4,250,418 |
| Loans to customers - gross | 174,583,772 | 2,254,133 | 5,181,302 | 182,019,207 |
| Investment securities - gross | 16,910,293 | - | 319,364 | 17,229,657 |
| Other financial assets - gross | 10,744,369 | - | 27,238 | 10,771,607 |
| | 269,736,704 | 2,254,133 | 5,527,904 | 277,518,741 |

| 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 | 2,784,593 | - | - | 2,784,593 |
| Deposits with and loans to other CIs - gross | 52,998,574 | - | - | 52,998,574 |
| Held-for-trading securities - gross | 8,353,236 | - | - | 8,353,236 |
| Loans to customers - gross | 168,733,295 | 1,789,671 | 5,554,977 | 176,077,943 |
| Investment securities - gross | 13,953,491 | - | 319,364 | 14,272,855 |
| Other financial assets - gross | 10,052,461 | - | 27,675 | 10,080,136 |
| | 256,875,650 | 1,789,671 | 5,902,016 | 264,567,337 |

4. Liquidity risk

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

The following table shows the analysis of assets and liabilities of the Bank according to their maturities as at 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 | - | - | 890,447 | - | - | - | 890,447 |
| Balances with the SBV | - | - | 5,290,381 | - | - | - | 5,290,381 |
| Balances with and loans to other CIs - gross | - | - | 53,683,026 | 2,721,800 | 1,552,645 | - | 57,957,471 |
| Held-for-trading securities - gross | - | - | 4,250,418 | - | - | - | 4,250,418 |
| Loans and advances to customers - gross | 1,395,723 | 3,150,179 | 14,217,832 | 15,158,211 | 102,044,269 | 32,886,396 | 182,019,207 |
| Investment securities - gross | - | 319,364 | 7,010,018 | - | 25,656 | 837,603 | 17,229,657 |
| Long-term investments - gross | - | - | - | - | - | - | 2,819,070 |
| Fixed assets | - | - | - | - | - | - | 1,217,929 |
| Other assets - gross | - | 27,238 | 2,042,989 | 2,763,201 | 5,537,144 | 2,068,720 | 12,934,635 |
| Total assets | 1,395,723 | 3,496,781 | 87,385,111 | 20,643,212 | 109,159,714 | 35,792,719 | 284,609,215 |
| 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 | - | - | 60,890,604 | 4,741,180 | 5,235,401 | 5,453,045 | 81,392,830 |
| Deposits from customers | - | - | 41,741,587 | 26,105,052 | 77,674,987 | 4,551,579 | 150,091,141 |
| Valuable papers issued | - | - | 58,918 | (188,623) | (6,196) | 167,342 | 31,441 |
| Derivative and other financial liabilities | - | - | 749,900 | 5,473,200 | 4,391,000 | 859,200 | 11,473,300 |
| Other liabilities | - | - | 894,937 | 974,692 | 1,898,289 | 149,328 | 3,936,497 |
| Total liabilities | - | - | 104,933,825 | 37,589,557 | 90,198,612 | 11,180,494 | 249,012,275 |
| Net liquidity gap | 1,395,723 | 3,496,781 | (17,548,714) | (16,946,345) | 18,961,102 | 24,612,225 | 35,596,940 |

| | 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 31 December 2023 (VND million) | | | | | | | |
| Assets | | | | | | | |
| Cash and gold | - | - | 851,268 | - | - | - | 851,268 |
| Balances with the SBV | - | - | 2,784,593 | - | - | - | 2,784,593 |
| Balances with and loans to other CIs - gross | - | - | 47,003,024 | 3,105,000 | 2,890,550 | - | 52,998,574 |
| Held-for-trading securities - gross | - | - | 8,353,236 | - | - | - | 8,353,236 |
| Loans and advances to customers - gross | 1,464,395 | 3,251,476 | 11,246,559 | 11,905,817 | 81,339,640 | 51,245,024 | 176,077,943 |
| Investment securities - gross | 319,364 | - | 42,001 | - | 320,998 | 865,315 | 14,272,855 |
| Long-term investments - gross | - | - | - | - | - | 2,319,070 | 2,319,070 |
| Fixed assets | - | - | - | - | - | - | 1,265,655 |
| Other assets - gross | - | - | 585,558 | 2,581,458 | 6,788,064 | 1,137,713 | 12,137,095 |
| Total assets | 1,783,759 | 3,251,476 | 70,866,239 | 17,592,275 | 91,339,252 | 53,248,052 | 271,060,289 |
| 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 | - | - | 46,917,866 | 3,338,524 | 5,117,066 | 8,127,100 | 68,352,556 |
| Deposits from customers | - | - | 43,630,671 | 27,662,404 | 70,200,064 | 3,731,635 | 145,225,061 |
| Valuable papers issued | - | - | 13,061 | 92,182 | 4,408 | (2,520) | 107,131 |
| Derivative and other financial liabilities | - | - | - | 2,610,200 | 11,584,700 | 2,651,200 | 16,846,100 |
| Other liabilities | - | - | 1,287,130 | 797,148 | 2,454,783 | 103,144 | 4,766,757 |
| Total liabilities | - | - | 92,287,851 | 34,528,819 | 91,432,174 | 14,610,559 | 237,836,242 |
| Net liquidity gap | 1,783,759 | 3,251,476 | (21,421,612) | (16,936,544) | (92,922) | 38,637,493 | 33,224,047 |

VII. 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.

VIII. Seasonal or cyclical factors

1. Foreign exchange differences

As stated in Note IV.1 and Note IV.8, unrealised foreign exchange rate differences are recorded in "Foreign exchange differences" under owners' equity in the separate interim financial statements (Note V.18). The balance of the foreign exchange rate differences account will be transferred in full to the separate income statement at the end of the annual accounting period.

2. Statutory reserves

The Bank is required to make reserves to supplement charter capital and a financial reserve annually (Note IV.17) so the Bank will make reserves at the end of the annual accounting period.

IX. Changes in accounting estimates

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

X. Changes in the Bank's structure

There are no material changes in the Bank's structure for the six-month period ended 30 June 2024 compared.

XI. Unusual items

There are no unusual items that may affect the Bank's separate interim financial statements for the six-month period ended 30 June 2024.

XII. Approve the separate interim financial statements

The Bank's separate 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

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