

**SAIGON JOINT STOCK COMMERCIAL BANK**

*(Incorporated in Socialist Republic of Vietnam)*

**REVIEWED INTERIM CONSOLIDATED  
FINANCIAL STATEMENTS**

**For the 6-month period ended 30 June 2018**

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**SAIGON JOINT STOCK COMMERCIAL BANK**

927 Tran Hung Dao Street, Ward 1, District 5  
Ho Chi Minh City, S.R. Vietnam

**STATEMENT OF THE BOARD OF MANAGEMENT**

The Board of Management of Saigon Joint Stock Commercial Bank (the "Bank") presents this report together with the Bank and its subsidiaries' interim consolidated financial statements for the 6-month period ended 30 June 2018.

**THE BOARDS OF DIRECTORS, SUPERVISORS AND MANAGEMENT**

The members of the Boards of Directors, Supervisors and Management of the Bank who held office during the period and to the date of this report are as follows:

**Board of Directors**

Mr. Dinh Van Thanh	Chairman
Mr. Henry Sun Ka Ziang	Vice Chairman
Mr. Ta Chieu Trung	Vice Chairman
Mr. Chiem Minh Dung	Permanent Vice Chairman (appointed on 01 April 2018)
Mr. Vo Tan Hoang Van	Member
Mr. Nguyen Van Thanh Hai	Member (appointed on 28 March 2018)
Ms. Nguyen Thi Phuong Loan	Member (resigned on 28 March 2018)
Mr. Nguyen Tien Thanh	Independent Member

**Board of Supervisors**

Ms. Pham Thu Phong	Chief Supervisor
Ms. Vo Thi Muoi	Member
Mr. Tran Chan Nam	Member
Mr. Vu Manh Tuong	Member

**Board of Management**

Mr. Vo Tan Hoang Van	Chief Executive Officer ("CEO")
Mr. Diep Bao Chau	Chief Operation Officer ("COO")
Mr. Nguyen Van Thanh Hai	Deputy CEO (resigned on 01 April 2018)
Mr. Lai Quoc Tuan	Deputy CEO
Mr. Le Minh Huan	Deputy CEO
Mr. Nguyen Duc Hieu	Deputy CEO
Mr. Chiem Minh Dung	Deputy CEO
Mr. Nguyen Anh Phuoc	Deputy CEO
Mr. Nguyen Van Hung	Chief Accountant
Mr. Hoang Minh Hoan	Finance Director
Mr. Luu Quoc Thang	Chief Risk Management Officer ("CRMO")
Mr. Le Thiet Hung	Chief Legal and Compliance Officer ("CCO")
Mr. Dang Duc Huy	Chief Retail Banking Officer ("CRBO") (appointed on 01 April 2018)

**BOARD OF MANAGEMENT'S STATEMENT OF RESPONSIBILITY**

The Board of Management of the Bank is responsible for preparing the interim consolidated financial statements, which give a true and fair view of the consolidated financial position of the Bank and its subsidiaries as at 30 June 2018, and its consolidated financial performance and its consolidated cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to interim consolidated financial reporting. In preparing these interim consolidated financial statements, the Board of Management is required to:

- select suitable accounting policies and then apply them consistently;
- make judgments and estimates that are reasonable and prudent;
- state whether applicable accounting principles have been followed, subject to any material departures disclosed and explained in the interim consolidated financial statements;
- prepare the interim consolidated financial statements on the going concern basis unless it is inappropriate to presume that the Bank will continue in business; and
- design and implement an effective internal control system for the purpose of properly preparing and presenting the interim consolidated financial statements so as to minimize errors and frauds.

**SAIGON JOINT STOCK COMMERCIAL BANK**

927 Tran Hung Dao Street, Ward 1, District 5

Ho Chi Minh City, S.R. Vietnam

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**STATEMENT OF THE BOARD OF MANAGEMENT (Continued)**

The Board of Management is responsible for ensuring that proper accounting records are kept, which disclose, with reasonable accuracy at any time, the financial position of the Bank and its subsidiaries and that the interim consolidated financial statements comply with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to interim consolidated financial reporting. The Board of Management is also responsible for safeguarding the assets of the Bank and its subsidiaries and hence for taking reasonable steps for the prevention and detection of frauds and other irregularities.

The Board of Management confirms that the Bank has complied with the above requirements in preparing these interim consolidated financial statements.

For and on behalf of the Board of Management, 



**Vo Tan Hoang Van**  
**Chief Executive Officer**  
18 September 2018



No.: 206 /VN1A-HC-BC

## REPORT ON REVIEW OF INTERIM CONSOLIDATED FINANCIAL STATEMENTS

**To: The Shareholders, the Boards of Directors and Management  
Saigon Joint Stock Commercial Bank**

We have reviewed the accompanying interim consolidated financial statements of Saigon Joint Stock Commercial Bank ("the Bank"), prepared on 18 September 2018 as set out from page 4 to page 68, which comprise the interim consolidated balance sheet as at 30 June 2018, the interim consolidated statement of income and the interim consolidated statement of cash flows for the 6-month period then ended and a summary of significant accounting policies and other explanatory information.

### ***The Board of Management's Responsibility for the interim consolidated financial statements***

The Bank's Board of management is responsible for the preparation and fair presentation of these interim consolidated financial statements in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to interim financial reporting, and for such internal control as the Bank's management determines is necessary to enable the preparation of interim consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### ***Auditors' Responsibility***

Our responsibility is to express a conclusion on accompanying interim consolidated financial statements based on our review. We conducted our review in accordance with Vietnamese Standard on Review Engagements (VSRE) 2410 - Review of Interim Financial Information Performed by the Independent Auditor of the Entity.

A review of interim consolidated financial statements 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.

### ***Conclusion***

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim consolidated financial statements do not present fairly, in all material respects, the interim consolidated financial position of the Bank and its subsidiaries as at 30 June 2018, and of its interim consolidated financial performance and its consolidated cash flows for the 6-month period then ended in accordance with Vietnamese Accounting Standards, accounting regime applicable to credit institutions in Vietnam and legal regulations relating to interim consolidated financial reporting.



**Le Dinh Tu**

**Audit Partner**

Audit Practising Registration Certificate

No. 0488-2018-001-1

**BRANCH OF DELOITTE VIETNAM COMPANY LIMITED**

18 September 2018

Ho Chi Minh City, S.R. Vietnam

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**INTERIM CONSOLIDATED BALANCE SHEET**  
*As at 30 June 2018*

Unit: Million VND

	<u>Notes</u>	<u>Closing balance</u>	<u>Opening balance</u>
<b>ASSETS</b>			
<b>Cash and gold</b>	<b>6</b>	<b>2,828,190</b>	<b>2,655,088</b>
<b>Balances with the State Bank of Vietnam</b>	<b>7</b>	<b>5,138,428</b>	<b>9,235,546</b>
<b>Placements with and loans to other credit institutions</b>	<b>8</b>	<b>23,227,363</b>	<b>24,048,346</b>
Placements with other credit institutions	8.1	23,227,363	23,997,568
Loans to other credit institutions	8.2	-	50,778
<b>Trading securities</b>	<b>9</b>	<b>75,388</b>	<b>61,926</b>
Trading securities		92,323	71,678
Provision for impairment of trading securities		(16,935)	(9,752)
<b>Derivatives and other financial assets</b>	<b>20</b>	<b>7,176</b>	<b>-</b>
<b>Loans to customers</b>		<b>295,753,783</b>	<b>264,150,725</b>
Loans to customers	10	298,389,348	266,500,992
Provision for credit losses of loans to customers	12	(2,635,565)	(2,350,267)
<b>Purchased debts</b>	<b>11</b>	<b>11,755</b>	<b>11,755</b>
Purchased debts		12,374	12,374
Provision for credit losses of purchased debts		(619)	(619)
<b>Investment securities</b>	<b>13</b>	<b>66,569,206</b>	<b>73,818,751</b>
Available-for-sale investment securities		41,587,620	43,179,631
Held-to-maturity investment securities		30,256,923	34,146,232
Provision for impairment of investment securities		(5,275,337)	(3,507,112)
<b>Long-term investments</b>	<b>14</b>	<b>28,626</b>	<b>28,626</b>
Other long-term investments		28,788	28,788
Provision for impairment of long-term investments		(162)	(162)
<b>Fixed assets</b>		<b>3,845,903</b>	<b>3,982,821</b>
Tangible fixed assets	15.1	1,604,476	1,667,376
Cost		2,523,485	2,554,900
Accumulated depreciation		(919,009)	(887,524)
Intangible assets	15.2	2,241,427	2,315,445
Cost		2,479,578	2,517,313
Accumulated amortization		(238,151)	(201,868)
<b>Other assets</b>	<b>16</b>	<b>80,137,704</b>	<b>66,038,164</b>
Receivables		35,284,632	24,202,072
Interest and fee receivables		44,777,674	41,664,912
Deferred tax assets		4,543	4,543
Other assets		735,453	716,957
Provision for impairment of other assets		(664,598)	(550,320)
<b>TOTAL ASSETS</b>		<b>477,623,522</b>	<b>444,031,748</b>



**INTERIM CONSOLIDATED BALANCE SHEET (Continued)**

As at 30 June 2018

Unit: Million VND

	<u>Notes</u>	<u>Closing balance</u>	<u>Opening balance</u>
<b>LIABILITIES</b>			
<b>Borrowings from the State Bank of Vietnam</b>	<b>17</b>	<b>33,712</b>	<b>38,134</b>
<b>Deposits and borrowings from other credit institutions</b>	<b>18</b>	<b>65,527,046</b>	<b>64,387,247</b>
Deposits from other credit institutions	18.1	26,764,060	24,567,175
Borrowings from other credit institutions	18.2	38,762,986	39,820,072
<b>Deposits from customers</b>	<b>19</b>	<b>363,032,778</b>	<b>346,402,517</b>
<b>Derivatives and other financial liabilities</b>	<b>20</b>	<b>-</b>	<b>37,444</b>
<b>Valuable papers issued</b>	<b>21</b>	<b>22,060,300</b>	<b>6,924,000</b>
<b>Other liabilities</b>	<b>22</b>	<b>11,412,796</b>	<b>10,712,081</b>
Interest and fee payables		8,927,192	8,613,921
Other payables		2,485,604	2,098,160
<b>TOTAL LIABILITIES</b>		<b>462,066,632</b>	<b>428,501,423</b>
<b>OWNERS' EQUITY</b>			
<b>Capital</b>	<b>24</b>	<b>14,312,486</b>	<b>14,312,486</b>
Charter capital		14,294,801	14,294,801
Fund for capital expenditure		45	45
Share premium		95,912	95,912
Treasury shares		(87,709)	(87,709)
Other capitals		9,437	9,437
<b>Reserves</b>	<b>24</b>	<b>467,604</b>	<b>467,604</b>
<b>Retained earnings</b>	<b>24</b>	<b>613,882</b>	<b>591,603</b>
<b>Non-controlling interest</b>	<b>25</b>	<b>162,918</b>	<b>158,632</b>
<b>TOTAL OWNERS' EQUITY</b>		<b>15,556,890</b>	<b>15,530,325</b>
<b>TOTAL LIABILITIES AND OWNERS' EQUITY</b>		<b>477,623,522</b>	<b>444,031,748</b>

**INTERIM CONSOLIDATED BALANCE SHEET (Continued)***As at 30 June 2018***INTERIM CONSOLIDATED OFF-BALANCE SHEET ITEMS**

Unit: Million VND

<u>Notes</u>	<u>Closing balance</u>	<u>Opening balance</u>
Guarantees for borrowings	74,531	74,531
Commitments on buying foreign currencies	787,384	1,608,907
Commitments on selling foreign currencies	557,232	1,407,219
Commitments on swap	23,710,447	26,557,088
Letters of credit	573,918	274,896
Other guarantees	12,748,802	12,030,115
Other commitments (*)	9,904,577	1,218,130
<b>45</b>	<b>48,356,891</b>	<b>43,170,886</b>

(\*) The balance as at 30 June 2018 is added other commitments which are in accordance with Circular No. 19/2017/TT-NHNN dated 28 December 2017, effective from 12 February 2018 (see further Note 3).



**Thai Khanh Van**  
Accounting Manager



**Nguyen Van Hung**  
Chief Accountant



**Vo Tan Hoang Van**  
Chief Executive Officer  
18 September 2018



**INTERIM CONSOLIDATED INCOME STATEMENT**

For the 6-month period ended 30 June 2018

Unit: Million VND

	Notes	Current period	Prior period
Interest and similar income	26	16,662,884	12,538,111
Interest and similar expenses	27	(13,974,020)	(11,621,770)
<b>I. Net interest income</b>		<b>2,688,864</b>	<b>916,341</b>
Income from services		780,988	700,506
Expense on services		(268,605)	(295,489)
<b>II. Net profit from services</b>	<b>28</b>	<b>512,383</b>	<b>405,017</b>
<b>III. Net gain from foreign exchange trading</b>	<b>29</b>	<b>11,228</b>	<b>1,177</b>
<b>IV. Net (loss)/gain from dealing in trading securities</b>	<b>30</b>	<b>(3,684)</b>	<b>11,492</b>
<b>V. Net gain from dealing in investment securities</b>	<b>31</b>	<b>236,744</b>	<b>518,861</b>
Other operating income		714,919	97,759
Other operating expenses		(217,922)	(55,854)
<b>VI. Net profit from other activities</b>	<b>32</b>	<b>496,997</b>	<b>41,905</b>
<b>VII. Income from capital contribution, share purchase</b>	<b>33</b>	<b>952</b>	<b>4,394</b>
<b>VIII. Operating expenses</b>	<b>34</b>	<b>(1,672,515)</b>	<b>(1,332,230)</b>
<b>IX. Net operating profit before credit provision expenses</b>		<b>2,270,969</b>	<b>566,957</b>
<b>X. Provision expense for credit loss</b>	<b>12</b>	<b>(2,156,806)</b>	<b>(469,253)</b>
<b>XI. Profit before tax</b>		<b>114,163</b>	<b>97,704</b>
<b>XII. Current corporate income tax expense</b>	<b>35</b>	<b>(25,009)</b>	<b>(20,347)</b>
<b>XIII. Profit after tax</b>		<b>89,154</b>	<b>77,357</b>
<i>Attributable to:</i>			
Common shareholders of the Bank		84,868	73,141
Non-controlling interest	25	4,286	4,216
<b>XIV. Basic earnings per share (VND/share)</b>	<b>36</b>	<b>38</b>	<b>29</b>


Thai Khanh Van  
Accounting Manager

Nguyen Van Hung  
Chief Accountant

Vo Tan Hoang Van  
Chief Executive Officer  
18 September 2018