



CỘNG HOÀ XÃ HỘI CHỦ NGHĨA VIỆT NAM

Độc lập - Tự do - Hạnh phúc

THE SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom - Happiness

Số/No: MB/MB-HOOT

V/v: công bố thông tin báo cáo tài chính riêng
và hợp nhất quý IV năm 2024

Hà Nội, ngày 24 tháng 01 năm 2025

Hà Nội, 24th Jan 2025

Re: *disclosure of information of Separated &
Consolidated Financial Statements for fourth
quarter of 2024*

Kính gửi/To:

- Ngân hàng Nhà nước Việt Nam
The State Bank of Vietnam
- Ủy ban Chứng khoán Nhà nước
The State Securities Commission;
- Sở giao dịch chứng khoán Việt Nam;
Vietnam Stock Exchange;
- Sở giao dịch chứng khoán Thành phố Hồ Chí Minh
Hochiminh Stock Exchange;
- Sở giao dịch chứng khoán Thành phố Hà Nội;
Hanoi Stock Exchange;

Công ty/Company:

Ngân hàng TMCP Quân đội /
Military Commercial Joint Stock Bank

Mã chứng khoán/
Securities symbol

MBB

Địa chỉ trụ sở chính/
Head office address

Số 18 Lê Văn Lương, Phường Trung Hòa, Quận Cầu Giấy, Hà Nội
No 18 Le Van Luong, Trung Hoa Ward, Cau Giay District, Hanoi

Điện thoại/Telephone:

024.6266.1088

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024.6266.1080

Người thực hiện công bố
thông tin/ *Submitted by:*

Ông/Mr. Lưu Trung Thái

Chức vụ/Position:

Chủ tịch HĐQT / *BOD Chairman*

Loại thông tin công bố/
*Type of Information
disclosure*

☒ định kỳ/*periodic*

☐ bất thường/*irregular*

☐ 24 giờ/ *hours*

☐ theo yêu cầu/*on demand*

Nội dung thông tin công bố: Báo cáo tài chính riêng và hợp nhất quý IV năm 2024

*Content of Information disclosure: Separated & Consolidated Financial Statements for
4th Quarter of 2024*

Thông tin trên đã được công bố trên trang thông tin điện tử MB www.mbbank.com.vn
- Mục Nhà đầu tư – Phần Thông báo.

*The above information was disclosed on MB website at www.mbbank.com.vn –
Investors Relation - Announcement*

Head office

NGÂN HÀNG TMCP QUÂN ĐỘI
Số 18 Lê Văn Lương, Phường Trung Hòa
Quận Cầu Giấy, Hà Nội

Contact us

Điện thoại: (024) 6266 1088
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www.mbbank.com.vn



Ngân hàng TMCP Quân đội xin cam kết các thông tin công bố trên đây là đúng sự thật và hoàn toàn chịu trách nhiệm trước pháp luật về nội dung các thông tin đã công bố.

MB declares that all information provided above is true and accurate and we shall take full responsibility before the law for the disclosed information.

Trân trọng cảm ơn!

Best Regards!

Nơi nhận/ Recipients:

- Như trên/As above;
- HĐQT, BKS (b/c) /
BOD, SB (for reporting);
- Lưu: VT, VP HĐQT./
Archive at Admin Office, BOD Office.

CHỦ TỊCH HỘI ĐỒNG QUẢN TRỊ
BOD CHAIRMAN



Lưu Trung Thái

Head office

NGÂN HÀNG TMCP QUÂN ĐỘI
Số 18 Lê Văn Lương, Phường Trung Hòa
Quận Cầu Giấy, Hà Nội

Contact us

Điện thoại: (024) 6266 1088
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www.mbbank.com.vn



Military Commercial Joint Stock Bank

B02a/TCTD

Address: 18 Le Van Luong street – Trung Hoa ward – Cau Giay District – Ha Noi

SEPARATE STATEMENT OF FINANCIAL POSITION

As at 31 December 2024

	Notes	31/12/2024 VND million	31/12/2023 (Audited) VND million
ASSETS			
Cash, gold and gemstones	III.1	3,266,448	3,637,930
Balances with the State Banks	III.2	27,998,988	65,268,295
Placements with and loans to other credit institutions	III.3	72,305,188	45,785,808
Securities held for trading	III.4	6,560,835	43,200,913
Securities held for trading		6,560,835	43,200,913
Derivatives and other financial assets	III.18	-	141,294
Loans to customers		724,673,270	568,479,542
Loans to customers	III.5	734,594,094	577,862,946
Provision for credit losses on loans to customers	III.6	(9,920,824)	(9,383,404)
Debt purchase	III.7	951,509	1,789,868
Debt purchase		1,041,362	1,848,863
Provision for debt purchase		(89,853)	(58,995)
Investment Securities	III.8	199,621,825	142,230,526
Available-for-sale securities	III.8.1	199,343,767	140,904,606
Held-to-maturity securities	III.8.2	741,635	1,790,835
Provision for investment securities	III.9.3	(463,577)	(464,915)
Long-term investments	III.9	8,498,485	7,614,535
Investment in subsidiaries	III.9.1	8,158,804	7,274,854
Other long-term investments	III.9.2	373,173	373,173
Provision for long-term investments	III.9.3	(33,492)	(33,492)
Fixed assets		4,546,761	4,000,297
Tangible fixed assets	III.10	3,264,187	2,868,630
Cost		7,953,167	6,933,555
Accumulated depreciation		(4,688,980)	(4,064,925)
Intangible fixed assets	III.11	1,282,574	1,131,667
Cost		3,728,726	3,072,470
Accumulated amortization		(2,446,152)	(1,940,803)
Other assets		18,734,942	19,895,939
Receivables	III.12	9,194,616	9,616,627
Accrued interest and fee receivables		7,793,412	7,714,671
Other assets	III.13	1,786,172	2,603,899
- In which: Goodwill		9,523	19,045
Provision for other assets	III.14	(39,258)	(39,258)
TOTAL ASSETS		1,067,158,251	902,044,947

Address: 18 Le Van Luong street – Trung Hoa ward – Cau Giay District – Ha Noi

SEPARATE STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 December 2024

	Notes	31/12/2024	31/12/2023
		VND million	(Audited) VND million
LIABILITIES			
Due to the Government and the State Bank	III.15	8,156,285	8,738
Deposits and borrowings from other credit institutions	III.16	91,840,369	88,143,045
Customer deposits	III.17	714,066,927	569,640,145
Derivatives and other financial liabilities	III.18	191,455	-
Other borrowed and entrusted funds	III.19	73,300	102,500
Valuable papers issued	III.20	119,845,404	121,062,093
Other liabilities		25,432,749	34,491,027
Interest and fee payables		9,819,589	13,473,197
Other payables	III.21	15,613,160	21,017,830
TOTAL LIABILITIES		959,606,489	813,447,548
OWNERS' EQUITY			
Owners' Capital		54,367,575	53,010,168
Charter capital		53,063,241	52,140,841
Share premium		1,304,334	869,327
Owners' Reserves		14,703,445	11,578,679
Retained profits		38,480,742	24,008,552
TOTAL OWNERS' EQUITY	III.22	107,551,762	88,597,399
TOTAL LIABILITIES AND OWNERS' EQUITY		1,067,158,251	902,044,947

Military Commercial Joint Stock Bank

B02a/TCTD

Address: 18 Le Van Luong street – Trung Hoa ward – Cau Giay District – Ha Noi

SEPARATE STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 December 2024

OFF-BALANCE SHEET ITEMS

	Notes	31/12/2024	31/12/2023
		VND million	(Audited) VND million
CONTINGENT LIABILITIES AND COMMITMENTS	V.1		
Credit guarantees		238,395	154,358
Foreign exchange commitments		263,133,210	394,715,794
- Foreign exchange commitments - buy		4,416,403	1,945,064
- Foreign exchange commitments - sell		4,492,239	1,423,038
- Cross currency swap contracts - buy		127,747,604	195,798,455
- Cross currency swap contracts - sell		126,476,964	195,549,237
Letters of credit commitments		29,138,440	23,214,316
Other guarantees		135,544,405	121,725,719
Other commitments		72,142,469	81,915,911

Prepared by:

Reviewed by:

Approved by:

Le Thi Huyen Trang
Director of Accounting Center

Dang Thuy Dung
Chief Accountant

Nguyen Thi Thanh Nga
Chief Financial Officer

Pham Nhu Anh
Chief Executive Officer

Ha Noi, Viet Nam
24 January 2025

Military Commercial Joint Stock Bank

Address: 18 Le Van Luong street – Trung Hoa ward – Cau Giay District – Ha Noi

B03a/TCTD

SEPARATE STATEMENT OF INCOME

Quarter IV/2024

	Notes	Movement in Quarter IV		Accumulated	
		This year	Last year	This year	Last year
		VND million	VND million	VND million	VND million
Interest and similar income		16,748,841	15,181,924	61,597,454	61,922,957
Interest and similar expenses		(7,358,144)	(7,686,242)	(27,295,019)	(29,972,397)
Net interest and similar income	IV.1	9,390,697	7,495,682	34,302,435	31,950,560
Fee and commission income		1,699,516	1,566,311	5,881,302	4,980,716
Fee and commission expenses		(950,245)	(642,582)	(2,856,856)	(2,420,161)
Net fee and commission income	IV.2	749,271	923,729	3,024,446	2,560,555
Net gain from trading of foreign currencies	IV.3	483,294	291,476	2,003,151	1,216,861
Net gain from securities held for trading	IV.4	83,132	172,316	1,582,376	443,026
Net gain from investment securities and long-term investments	IV.4	2,398,606	(119,442)	2,682,096	252,455
Net gain from other activities	IV.5	999,742	611,354	2,759,304	2,233,972
Income from capital contribution, share acquisition	IV.6	1,000	7,250	940,899	415,645
TOTAL OPERATING INCOME		14,105,742	9,382,365	47,294,707	39,073,074
TOTAL OPERATING EXPENSES	IV.7	(4,176,852)	(2,928,974)	(13,163,942)	(11,390,384)
Net profit before provision for credit losses		9,928,890	6,453,391	34,130,765	27,682,690
Provision expenses for credit losses	IV.9	(2,319,812)	(631,414)	(6,491,449)	(2,994,687)
PROFIT BEFORE TAX		7,609,078	5,821,977	27,639,316	24,688,003
Current corporate income tax expense		(1,601,894)	(1,164,275)	(5,443,952)	(4,857,460)
Corporate income tax expense	IV.11	(1,601,894)	(1,164,275)	(5,443,952)	(4,857,460)
PROFIT AFTER TAX		6,007,184	4,657,702	22,195,364	19,830,543

Prepared by:

Reviewed by:


Approved by:



Le Thi Huyen Trang
Director of Accounting Center

Ha Noi, Viet Nam

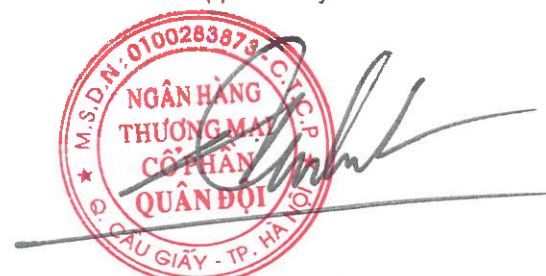
24/12/2024



Dang Thuy Dung
Chief Accountant



Nguyen Thi Thanh Nga
Chief Financial Officer



Pham Nhu Anh
Chief Executive Officer



Military Commercial Joint Stock Bank

B04a/TCTD

Address: 18 Le Van Luong street – Trung Hoa ward – Cau Giay District – Ha Noi

SEPARATE STATEMENT OF CASH FLOWS (Direct method)

As at 31 December 2024

	Notes	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
		VND million	VND million
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest and similar receipts		61,233,632	59,712,823
Interest and similar payments		(30,381,678)	(24,167,352)
Net fee and commission receipts		3,024,446	2,560,555
Net receipts/(payments) from trading activities (foreign currencies, gold and securities)		5,985,755	2,237,605
Other income/(expenses)		580,884	762,422
Recoveries from bad debts previously written-off		2,173,226	1,468,496
Payments for administrative, operating and salary expenses		(12,667,689)	(10,945,603)
Corporate income tax paid during the year	IV.10	(5,650,460)	(4,671,034)
Net cash flows from operating profit before changes in operating assets and liabilities		24,298,116	26,957,912
Changes in operating assets		(182,070,992)	(170,181,652)
(Increase)/decrease in placements with and loans to other credit institutions		(912,930)	3,030,053
(Increase)/decrease in trading securities		(20,749,883)	(30,739,900)
(Increase)/decrease in derivatives and other financial assets		141,294	(57,466)
(Increase)/decrease in loans to customers and debt purchase		(155,923,647)	(143,500,960)
Utilization of provision to write off loans to customers, securities, long-term investments and other receivables		(5,923,389)	(4,253,316)
(Increase)/decrease in other assets		1,297,563	5,339,937
Changes in operating liabilities		139,408,569	185,121,634
Increase/(decrease) in dues to the Government and the State Bank		8,147,547	(23,051)
Increase/(decrease) in deposits and borrowings from other credit institutions		3,697,324	36,042,712
Increase/(decrease) in customer deposits		144,426,782	122,162,737
Increase/(decrease) in valuable papers issued		(10,622,243)	24,955,961
Increase/(decrease) in other borrowed and entrusted funds		(29,200)	(48,690)
Increase/(decrease) in derivatives and other financial liabilities		191,455	-
Increase/(decrease) in other liabilities		(6,054,807)	2,279,135
Payments from reserves		(348,289)	(247,170)
Net cash flows used in operating activities		(18,364,307)	41,897,894
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Purchase of fixed assets		(1,851,595)	(1,144,213)
Proceeds from disposal of fixed assets		5,194	3,054
Proceeds from/(payment for) investments in other entities (disposal of/(payments for investments in) subsidiaries, ventures and other long-term investments)		(883,950)	(1,809,260)
Dividends and profits received from long-term investments and capital contribution		940,899	415,645
Net cash flows used in investing activities		(1,789,452)	(2,534,774)

Military Commercial Joint Stock Bank

B04a/TCTD

Address: 18 Le Van Luong street – Trung Hoa ward – Cau Giay District – Ha Noi

SEPARATE STATEMENT OF CASH FLOWS (Continued)

As at 31 December 2024

	Notes	From 01/01/2024 to 31/12/2024	From 01/01/2023 to 31/12/2023
		VND million	VND million
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in share capital from capital contribution and/or share issuance		1,357,407	-
Proceeds from issuance of long-term valuable papers are eligible to be included in equity capital and other long-term loans		9,405,554	3,449,000
Dividends paid during the period		(2,643,542)	(2,266,993)
Net cash flows from financing activities		8,119,419	1,182,007
Net cash flows for the year		(12,034,340)	40,545,127
Cash and cash equivalents at the beginning of the period		112,701,049	72,155,922
Cash and cash equivalents at the end of the period	IV.12	100,666,709	112,701,049

Prepared by:

Reviewed by:

Approved by:

Le Thi Huyen Trang
Director of Accounting Center
Ha Noi, Viet Nam
24 January 2025

Dang Thuy Dung
Chief Accountant

Nguyen Thi Thanh Nga
Chief Financial Officer



Pham Nhu Anh
Chief Executive Officer

NOTES TO THE SEPARATED FINANCIAL STATEMENTS

QUARTER IV/2024 AND YEAR ENDED 31/12/2024

I- OPERATION FEATURES OF CREDIT INSTITUTION

1. License for establishment and operation, and valid duration

Military Commercial Joint Stock Bank ("the Bank") is a joint stock commercial bank incorporated in the Socialist Republic of Vietnam with principal activities are to perform banking and related financing services under Operating Licence No. 100/GP-NHNN granted by the Governor of the State Bank of Vietnam ("the SBV") dated 16 October 2018, replacing Operating Licence No. 0054/NH-GP dated 14 September 1994. The Operating duration under the licence is 99 years since 14 September 1994.

2. Ownership type: Joint-Stock

3. Board of Directors

<i>Full name</i>	<i>Position</i>
Mr. Luu Trung Thai	Chairman
Ms. Vu Thi Hai Phuong	Vice Chairman
Ms. Nguyen Thi Hai Ly	Vice Chairman (Appointed on 15 June 2024)
Mr. Vu Thanh Trung	Vice Chairman (Appointed on 15 June 2024)
Mr. Do Minh Phuong	Vice Chairman (Resigned on 15 June 2024)
Mr. Pham Nhu Anh	Member (Appointed on 15 June 2024)
Mr. Le Viet Hai	Member
Ms. Vu Thai Huyen	Member
Mr. Pham Doan Cuong	Member (Appointed on 15 June 2024)
Ms. Hoang Thi Thu Hien	Member (Appointed on 15 June 2024)
Mr. Vu Xuan Nam	Member (Appointed on 15 June 2024)
Ms. Nguyen Thi Thuy	Member (Resigned on 15 June 2024)
Ms. Nguyen Thi Ngoc	Member (Resigned on 15 June 2024)
Mr. Kieu Dang Hung	Member (Resigned on 15 June 2024)
Mr. Ngo Minh Thuan	Member (Resigned on 15 June 2024)
Mr. Hoang Van Sam	Independent Member (Appointed on 15 June 2024)
Mr. Tran Trung Tin	Independent Member (Resigned on 15 June 2024)

4. Board of Supervision

<i>Full name</i>	<i>Position</i>
Ms. Le Thi Loi	Head of Board of Supervision
Ms. Nguyen Thi An Binh	Deputy Head of Board of Supervision
Ms. Do Thi Tuyet Mai	Member
Ms. Nguyen Thi Nguyet Ha	Member (Appointed on 15 June 2024)
Mr. Do Van Tien	Member (Appointed on 15 June 2024)
Mr. Do Van Hung	Member (Resigned on 15 June 2024)

5. Board of Management

<i>Full name</i>	<i>Position</i>
Mr. Pham Nhu Anh	Chief Executive Officer ("CEO")
Ms. Nguyen Minh Chau	Deputy CEO
Ms. Pham Thi Trung Ha	Deputy CEO
Mr. Tran Minh Dat	Deputy CEO
Mr. Ha Trong Khiem	Deputy CEO
Mr. Le Quoc Minh	Deputy CEO
Mr. Nguyen Xuan Hoc	Deputy CEO (Appointed on 02 July 2024)
Mr. Le Xuan Vu	Member (Resigned on 10 December 2024)

<i>Full name</i>	<i>Position</i>
Ms. Tran Thi Bao Que	Member
Mr. Vu Hong Phu	Member
Mr. Vu Thanh Trung	Member (Resigned on 10 December 2024)
Ms. Nguyen Thi Ngoc	Member (Appointed on 15 June 2024)
Ms. Nguyen Thi Thuy	Member (Appointed on 15 June 2024)
Ms. Nguyen Thi Thanh Nga	Chief Financial Officer

6. Bank's Head Office: No. 18 Le Van Luong Street, Trung Hoa Ward, Cau Giay District, Hanoi, Vietnam

Branches: 1 Head Office, 110 branches (Including 1 foreign branch), 209 transaction offices and 1 representative office in Russia.

As at 31 December 2024, the Bank has subsidiaries were consolidated as follows:

<i>No.</i>	<i>Subsidiaries</i>	<i>Operating licence No.</i>	<i>Nature of business</i>	<i>Ownership</i>
1	Military Bank Asset Management Company Limited ("MB AMC")	0105281799 issued by the Hanoi City Department for Planning and Investment dated 11 September 2002	Debt management and assets usage	100.00%
2	MB Securities Joint Stock Company ("MBS")	116/GP-UBCK by the State Securities Commission of Vietnam dated 9 December 2013	Securities	76.35%
3	MB Capital Management Joint Stock Company ("MB Capital")	21/UBCK-GPDCQLQ issued by the State Securities Commission of Vietnam dated 15 November 2007	Investment fund management	90.77%
4	MB Shinsei Finance Limited Liability Company ("MCredit")	27/GP-NHNN issued by the State Bank of Vietnam dated 4 February 2016	Consumer finance	50.00%
5	MB Ageas Life Insurance Company Limited ("MBAL")	74/GP/KDBH issued by the Ministry of Finance dated 21 July 2016	Life insurance, health insurance and financial investment	61.00%
6	Military Insurance Corporation ("MIC")	43/GP/KDBH issued by the Ministry of Finance dated 8 October 2007	Non-life insurance	68.37%
7	MB Bank Cambodia PLC. ("MBCambodia")	MOC-00021616 issued by Ministry of Commercial of Cambodia (MOC) dated 2 January 2023	Commercial Bank	100.00%

7. Employees

As at 31 December 2024, the Bank has **12,155** employees (Subsidiaries excluded).

II- APPLIED ACCOUNTING STANDARDS AND SYSTEM

1. Compliance with Vietnam Accounting Standards and Accounting System of credit institutions in Vietnam

The Board of Management confirms that the accompanying separate financial statements have been prepared in accordance with Vietnamese Accounting Standards, the Vietnamese Accounting System for credit institutions and the statutory requirements relevant to preparation and presentation of financial statements.

2. Basis of preparation the financial statements

Separate financial statements of the Bank are presented in Vietnamese Dong ("dong" or "VND"), prepared in accordance with the Accounting System for Credit Institutions in Vietnam under Decision No. 479/2004/QĐ-NHNN dated 29th April 2004 (Decision 479/2004) by the Governor of the State Bank of Vietnam and amending and supplementing to the Decision 479/2004, Decision No. 16/2007/QĐ-NHNN dated 18th April 2007 (Decision 16/2007) by the Governor of the State Bank of Vietnam, amending and supplementing to the Decision 16/2007 and Vietnamese Accounting Standards issued by the Ministry of Finance as per:

- ▶ Decision No. 149/2001/QĐ-BTC dated 31 December 2001 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series No.1);
- ▶ Decision No. 165/2002/QĐ-BTC dated 31 December 2002 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series No.2);
- ▶ Decision No. 234/2003/QĐ-BTC dated 30 December 2003 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series No. 3);
- ▶ Decision No. 12/2005/QĐ-BTC dated 15 February 2005 on the Issuance and Promulgation of Six Vietnamese Accounting Standards (Series No. 4); and
- ▶ Decision No. 100/2005/QĐ-BTC dated 28 December 2005 on the Issuance and Promulgation of Four Vietnamese Accounting Standards (Series No. 5).

Accordingly, the accompanying separate financial statements and their utilization are not designed for those who are not informed about Vietnam's accounting principles, procedures and practices and furthermore are not intended to present the separate financial position and separate results of operations and separate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam.

The Bank prepares the separate financial statements to reflect the Bank's own operations. In addition, the Bank has also prepared the consolidated financial statements to reflect the operations of the Bank and its subsidiaries in accordance with Vietnamese Accounting Standard No. 25 - Consolidated financial statements and accounting for investments in subsidiaries.

Users of the separate financial statements should read them together with the said consolidated financial statements in order to obtain full information on the consolidated financial position, the consolidated statement of income and consolidated cash flows of the Bank and its subsidiaries.

Items that are not presented in these separate financial statements regarding the financial reporting regime for credit institutions as required by Decision No. 16/2007/QĐ-NHNN and amending and supplementing regulations issued by the SBV indicate nil balance.

3. Fiscal year

The Bank's fiscal year starts on 1 January and ends on 31 December.

4. Basis for assessment and applied accounting estimates

The preparation of the separate financial statements requires Management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities. These estimates and assumptions also affect the income, expenses and the resultant provisions. Such estimates are necessarily based on assumptions involving varying degrees of subjectivity and uncertainty and actual results may differ resulting in future changes in such items.

5. Changes in accounting policies and disclosures

MB's accounting policies are applied consistently among annual and interim financial reporting periods, excluding:

- ▶ Law on Credit Institutions 2024 dated 18 January 2024, effective from 1 July 2024 ("Law on Credit Institutions").
- ▶ Circular No. 31/2024/TT-NHNN effective from 1 July 2024 regulating the classification of assets in the operations of commercial banks, non-bank credit institutions and foreign bank branches ("Circular 31"); Decree 86/2024/ND-CP effective from 11 July 2024 regulating the level and method for making provision for credit losses, and the use of provisions to handle risks in the operation of credit institutions and foreign bank branches and in case the credit institution allocates interest receivables that must be divested ("Decree 86") replaces Circular 11/2021/TT-NHNN regulating the classification of assets, the level of provision, method of provisioning for risk provisions and the use of provisions to handle risks in the operations of credit institutions, foreign bank branches ("Circular 11").
- ▶ Circular No. 21/2024/TT-NHNN effective from 01 July 2024 regulating credit letter operations and other business activities related to letters of credit ("Circular 21").

The Bank shall prospectively apply regulations of the Law on Credit Institutions, Circular 31, Decree 86 and Circular 21 from effective dates of these documents.

6. Cash and cash equivalents

Cash and cash equivalents comprise cash, gold, gemstones, current accounts at the SBV, Government bills and other short-term valuable papers which can be rediscounted with the SBV, securities, current placements with and deposit at other credit institutions with an original maturity of three months or less from the transaction date, which are highly liquid and readily convertible into certain amounts of cash and that are subject to an insignificant risk of change in value.

7. Placements with and loans to other credit institutions

Deposits with and loans to other credit institutions are stated and presented at the principal amounts outstanding at the reporting date.

The credit risk classification for placements with and loans to other credit institutions and corresponding provisions is made in accordance with Circular 31 and Degree 86. Accordingly, MB makes a specific provision for placements with (excluding current accounts) and loans to other credit institutions in accordance with the method described in Note 9.

According to Degree 86/2024, MB is not required to make a general provision for placements with and loans to other credit institutions.

8. Loans to customers

Loans to customers are presented at the principal amounts outstanding at the reporting date.

Provision for credit losses of loans to customers is accounted and presented in a separate line in the financial position.

Short-term loans have maturity of less than one year from disbursement date. Medium-term loans have maturity from one to five years from disbursement date. Long-term loans have maturity of more than five years from disbursement date.

The classification of loan and provision for credit losses are made in accordance with Circular 31 and Degree 86 as described in Note 9.

9. Provision for credit risk

Loan classification

The Bank classifies debts into the following groups: Current loan, Special mention loan, Sub-standard loan, Doubtful loan and Loss which are specified in Circular 31. Debts which are classified as Sub-standard loan, Doubtful loan and Loss are considered nonperforming debts.

Debts are classified according to quantitative methods specified in Articles 10 Circular 31.

- ▶ If a customer has more than one debt with the Bank and any of the outstanding debts is classified into a higher risk group, the entire remaining debts of such customer should be classified into the corresponding higher risk group.
- ▶ The Bank have been required to use the updated information from Credit Information Centre ("CIC") on the loan group of customers at the time of classification to adjust the classification results of their debts and off-balance sheet items.
- ▶ At the same time, the Bank also applied the regulations on restructuring and retention of the latest debt classification for the loans that meet the requirements of Decree No. 55/2015/ND-CP ("Decree 55") dated 9 June 2015 on credit policy for agricultural and rural development and the regulations amending and supplementing Decree 55.
- ▶ The Bank also applies the regulations on loan restructuring and retention of the latest debt classification for the loans that meet the requirements of Circular No. 01/2020-TT-NHNN ("Circular 01/2020") issued by the SBV dated 13 March 2020 providing guidance for credit institutions and foreign bank branches on loan restructuring, exemption or reduction of interest and fees and retention of loan classification group to assist the borrowers affected by Covid-19 pandemic, Circular No. 03/2021/TT-NHNN ("Circular 03/2021") issued by the SBV on 2 April 2021 amending and supplementing a number of articles of Circular 01/2020, Circular No. 14/2021/TT-NHNN ("Circular 14/2021") issued by the SBV on 7 September 2021 amending and supplementing a number of articles of Circular 01/2020, Circular No. 02/2023/TT-NHNN ("Circular 02/2023") issued by the SBV on 23 April 2023 providing guidance for credit institutions and foreign bank branches on loan restructuring and retention of loan classification group to assist the borrowers in difficulties and Circular No. 06/2024/TT-NHNN ("Circular 06/2024") issued by the SBV on 18 June 2024 amending and supplementing a number of articles of Circular 02/2023.
- ▶ The Bank also applies Circular No. 53/2024/TT-NHNN ("Circular 53") issued by the SBV dated 4 December 2024 providing guidance for credit institutions and foreign bank branches on loan restructuring for borrowers in difficulties due to the impacts and damages of storm No. 3, floods and landslides afterward storm No. 3 and Decision of the Prime Minister No. 1510/QĐ-TTg issued on December 4, 2024 on asset classification, risk provisioning level, risk provisioning method and the use of provisions to handle risks for debts of customers facing difficulties due to the impacts and damages of storm No. 3

Specific provision

According to Circular 11 (before 1 July 2024) and Decree 86 (from 11 July 2024), the specific provision of the Bank is determined by the outstanding balance after deducting the value of the deducted collateral multiplied by the rate of provision according to the result of loan group classification in accordance with Circular 31.

Specific provisions for each debt group are as follows:

Group		Loan classification using the quantitative method	Provision rate
1	Current	(a) Unmatured debts rated likely to be fully recovered in terms of both principal and interest by due dates; or (b) Debts that are less than 10 days overdue and are rated likely to be fully recovered in terms of delinquent principal and interest, and likely to be fully recovered in terms of the remaining principal and interest by due dates. (c) Debts classified into group 1 as provided in Clause 2, Article 10 of Circular 31.	0%
2	Special Mention	(a) Debts are overdue for a period between 10 days and 90 days; or (b) Debts with first-time adjusted repayment terms that are unmaturred. (c) Debts are classified into group 2 as provided in Clause 2, Clause 3, Article 10 of Circular 31.	5%
3	Sub-standard	(a) Debts which are from 91 days to 180 days overdue; or (b) Debts with first-time extended repayment terms that are unmaturred; or (c) Debts on which interest are exempted or reduced due to the borrower's inability to pay in full as agreed upon; or (d) Debts falling in one of the following cases that have not yet been recovered within less than 30 days from the effective dates of recovery decisions: <ul style="list-style-type: none"> ▪ Those violating provisions laid down in clauses 1, 3, 4, 5 and 6 of Article 134 in the Law on Credit Institutions; or ▪ Those violating provisions are laid down in clause 1,2, 3, 4 of Article 135 in the Law on Credit Institutions; or ▪ Those violating provisions are laid down in clause 1, 2, 5 and 9 of Article 136 in the Law on Credit Institutions. (e) Debts within the recovery period according to inspection and examination conclusions; or (f) Debts are required to be recovered according to the early debt recovery decision of a bank or non-bank credit institution due to the customer's violation of the agreement with the bank or non-bank credit institution have not been recovered for less than 30 days from the date of the recovery decision; or (g) Debts are classified into group 3 as provided in Clause 2, Clause 3, Article 10 of Circular 31; or (h) Debts must be classified into group 3 according to regulations in Clause 4, Article 8 of Circular 31.	20%
4	Doubtful	(a) Debts are from 181 days to 360 days overdue; or (b) Debts with first-time rescheduled repayment terms that are up to 90 days past due from the first-time rescheduled maturity dates; or (c) Debts with second-time rescheduled repayment terms that are unmaturred; or (d) Debts are specified in point (d) of Loan group 3 and overdue for a period of between 30 days and 60 days after decisions of recovery	50%

Group		Loan classification using the quantitative method	Provision rate
		<p>have been issued; or</p> <p>(e) Debts are required to be recovered under regulatory inspection conclusions but still outstanding with an overdue period of more than 60 days since the recovery date as required by regulatory inspection conclusions; or</p> <p>(f) Debts are required to be recovered according to the early debt recovery decision of a bank or non-bank credit institution due to the customer's violation of the agreement with the bank or non-bank credit institution have not been recovered from 30 to 60 days from the date of the recovery decision; or</p> <p>(g) Debts are classified into group 4 as provided in Clause 2, Clause 3, Article 10 of Circular 31; or</p> <p>(h) Debts are classified into group 4 as provided in Clause 4, Article 8 of Circular 31.</p>	
5	Loss	<p>(a) Debts are overdue for a period of more than 360 days; or</p> <p>(b) Debts which the repayment terms are restructured for the first time but still overdue for a period of 91 days or more under that first restructured repayment term; or</p> <p>(c) Debts which the repayment terms are restructured for the second time but still overdue under that second restructured repayment term; or</p> <p>(d) Debts which the repayment terms are restructured for the third time or more, regardless of being overdue or not; or</p> <p>(e) Debts are specified in point (d) of Loan group 3 and overdue for a period of more than 60 days after decisions on recovery have been issued; or</p> <p>(f) Debts are required to be recovered under regulatory inspection conclusions but still outstanding with an overdue period of more than 60 days since the recovery date as required by regulatory inspection conclusions; or</p> <p>(g) Debts are required to be recovered according to the early debt recovery decision of a bank or non-bank credit institution due to the customer's violation of the agreement with the bank or non-bank credit institution have not been recovered for more than 60 days from the date of the recovery decision; or</p> <p>(h) Debts of credit institution that is under special control, a foreign bank branch whose capital and assets are being frozen; or</p> <p>(i) Debts are classified into group 5 as provided in Clause 3, Article 10 of Circular 31.</p> <p>(j) Debts are classified into group 5 as provided in Clause 4, Article 8 of Circular 31.</p>	100%

The basis for determining the value and deductible value of each type of collateral is specified in Decree 86.

The Bank makes specific provision for customers whose debts are rescheduled, exempt or reduce interest rate in accordance with Circular 03/2021 as follows:

- Determine specific provision shall be made for all outstanding debt of borrowers according to the results of debt classification according to Circular above: (A)
- Determine specific provision for outstanding debts of the debt group which are kept unchanged according to Circular 03/2021 and the remaining debts of borrowers according to Circular above: (B)
- Additional specific provision (C) = (A) – (B) shall be determined as follows:
 - By 31/12/2021: At least 30% of the additional specific provision;
 - By 31/12/2022: At least 60% of the additional specific provision;
 - By 31/12/2023: 100% of the additional specific provision.

In addition, the Bank makes specific provisions for customers whose debts are rescheduled in accordance with Circular 02/2023 and Circular 06/2024 as follows:

- Determine specific provision shall be made for all outstanding debt of borrowers according to the results of debt classification: (A)
- Determine specific provision for outstanding debts of the debt group which are kept unchanged and the remaining debts of borrowers according to Circular above: (B)
- Additional specific provision (C) = (A) – (B) shall be determined as follows:
 - By 31/12/2023: At least 50% of the additional specific provision;
 - By 31/12/2024: 100% of the additional specific provision.

General provision

General provision is appropriated at the rate of 0.75% of the total debt balance from group 1 to group 4 in accordance with debts classification under Circular 11 (before 1 July 2024) and Circular 31/2024 (from 11 July 2024) excluding placements with and loans to other credit institutions and loans classified as loss. General provision as at 31 December 2024 is calculated based on the results of debt classification and principal balance as at 31 December 2024.

Bad debts written off

Provisions are recognized as an expense on the separate statement of income and used to write-off bad debts. According to Degree 86, The Bank establishes a Risk Handling Committee to deal with bad debts if they are classified in Group 5 or if the borrower is a dissolved, bankrupt organization or individual who is dead or missing.

10. *Debt purchase, sale*

Debt purchase and sale of the Bank are recorded in accordance with Circular 09/2015/TT-NHNN ("Circular 09/2015") and Circular 18/2022/TT-NHNN ("Circular 18/2022") of SBV regulating debt purchase and sale by credit institutions, foreign bank branches.

- ▶ Book value of a purchased and sold debt includes the book value of debt principal and interest and other debt-related financial obligations (if any) by the time of debt purchase and sale for the debt accounted on the balance sheet or off the balance sheet; or the book value being monitored at the time of being removed off the balance sheet or at the time of debt purchase and sale for the debt being removed off the separate statement of financial position.
- ▶ Debt purchase and sale price means a sum of money to be paid by a debt purchaser to a debt seller under a debt purchase and sale contract.

Debt purchase

For the purchased debts, the Bank classifies the paid amount into a group with risk level not lower than previous debt group that was classified before purchase. Debt classification and provision for debt purchases are made similar to loans to other customers according to the method as described in *Note 9*.

- ▶ The price of debt purchase under the contract is accounted on the balance sheet.
- ▶ The value of principal and interest of purchased debt is monitored off the balance sheet.
- ▶ If the interest of the debt including the interest before the Bank purchased the debt is collected, the Bank will allocate the interest on the following principle: (i) write down the value of debt purchase by pre-purchase interest; (ii) recognize as interest income of the period after the Bank purchases the debt.

Debt sale

Revenue and expense from selling debts are recorded in accordance with Circular 09/2015 and Circular 18/2022 the difference between the debt purchase, sale price and debt seller's book value is handled as follows:

- ▶ For the debts being recorded on the balance sheet:
 - If the debt sale price is higher than the book value of the debt, the difference shall be accounted as income of the Bank during the year.
 - If the debt sale price is lower than the value of the debt, the difference shall be offset with the compensation paid by an individual or an organization (in case such individual or organization is identified to have caused the damage and must pay compensation under regulations), the insurance sum paid by the insurer or the risk provision already set aside from expenses; the deficit shall be accounted as a business cost of the Bank during the year.
- ▶ For the debt accounted off the balance sheet or debt left off the statement of financial position, the debt sale proceeds shall be accounted as other income of the Bank.
- ▶ Debt classification and provisioning for debt sold (except for written-off loans) that have not yet been fully collected are performed similarly to loans to other customers according to the method as described in *Note 9*.

11. Securities held for trading

Trading securities are debt securities, equity securities and other securities purchased for trading purposes. Trading securities are initially recognized at cost.

Listed trading debt securities are recognized at cost less provision for impairment of securities. Provision for impairment is recorded in the Statement of Income under the item "Net gain from trading securities".

Corporate bonds that are not listed on the stock market or not registered for trading in the transaction market of unlisted public companies will be classified and made a risk provision presented in Note 9.

Gains or losses from sales of trading securities are recognized in the consolidated statement of income. Trading securities are derecognized when the rights to receive cash flows from these securities have expired or the Bank has transferred substantially all risks and rewards of ownership.

12. Investment securities

12.1 Available-for-sale investment securities

Available-for-sale investment securities include debt securities and equity securities held by the Bank for the investment and available-for-sale purposes, not regularly traded but can be sold when there is a benefit.

Available-for-sale equity securities are securities listed on securities markets. They are initially recognized at cost on the trade date and continuously presented at cost in subsequent periods.

Available-for-sale debt securities are recognized at par value at the transaction date. Accrued interest (for debt securities with interest payment in arrears) and deferred interest (for debt securities with interest payment in advance) is recognized in a separate account. Discount/premium, which is the difference between the cost and the amount being the par value plus (+) accrued interest (if any) or minus (-) deferred interest (if any) is also recognized in a separate account.

In subsequent periods, these securities are continuously recorded at par value, and the discount/premium (if any) is amortized to the separate statement of income on a straight-line basis over the remaining terms of securities. The interest received in arrears is recorded as follows: Cumulative interest incurred before the purchase date is recorded as a decrease in the accrued interest; cumulative interest incurred after the purchase date is recognized as income based on the accumulated method. The interest received in advance is amortized into the securities investment interest income on a straight-line basis over the terms of the securities investment.

Available-for-sale securities are subject to impairment review on a periodical basis.

Provision for diminution in value of securities is made when the carrying value is higher than the market value. Provision is recognized in the "Net gain/(loss) from investment securities and long-term investments" in the separate statement of income.

Classification and provision for credit losses of corporate bonds which are not listed on the stock market or not registered on the unlisted public company market is made in accordance with the method as described in Note 9.

12.2 Held-to-maturity investment securities

Held-to-maturity securities are debt securities purchased by Bank for investment purpose to earn interest and Bank has the intention and ability to hold these securities to maturity. Held-to-maturity securities have determinable value and specific maturity date. In the event that securities are sold out before maturity, these securities will be reclassified to trading securities or available-for-sale securities.

Held-to-maturity investment securities are recorded and measured similarly to debt securities available-for-sale as presented at Note 12.1.

13. Investment in subsidiaries

Investments in subsidiaries are recognized by the cost method in the Bank's separate financial statements. Dividend distributed from after-tax profit of subsidiaries are recorded in the statement of income.

Provisions for impairment of investments in subsidiaries are made for each impaired investment and are subject to revision at the end of annual accounting period. The Bank makes provision for investments in subsidiaries if there is firm evidence to indicate that there is an impairment in the value of these investments at the reporting date. Increase or decrease of provision balance is recognized in *"Net gain/(loss) from securities held for trading, investment securities and long-term investment"* in the statement of income.

14. Other long-term investments

Other long-term investments are investments in other entities in which the Bank holds less than or equal to 11% of voting rights and securities of these entities are not listed on the stock market. These investments are initially recorded at cost at the transaction date.

Provision for diminution in the value of investment is made when there is substantial evidence indicating a decline in the value of these investments at the end of the year.

The provision is reversed if the recoverable amount of the investments increases after making provision. It is reversed to the extent that the carrying value of these investments does not exceed the carrying value of the investment assuming that no allowance has been recorded.

Increase or decrease in provision for long-term investments is recognized in *"Net gain/ (loss) from investment securities and long-term investments"* on the separate statement of income.

15. Fixed assets

Fixed assets are stated at cost less accumulated depreciation or amortization.

The cost of a fixed asset comprises its purchase price plus any directly attributable cost of bringing the asset to working condition for its intended use.

Costs related to additions, improvements and renewals are capitalized while expenditures for maintenance and repairs are charged to the separate statement of income.

When assets are sold or liquidated, their cost and accumulated depreciation/amortisation are deducted from the separate statement of financial position and any gains or losses resulting from their disposal (being the difference between net proceeds from the sale of assets and the remaining value of assets) are recorded to the separate statement of income.

16. Depreciation and amortization

Depreciation of tangible fixed asset and amortization of intangible fixed assets is calculated on a straight-line basis over the estimated useful lives of these assets as follows:

Buildings and construction	6-25 years
Machines and equipment	3-7 years
Transportation vehicles	6 years
Other tangible fixed assets	3-5 years
Land use rights (*)	30-50 years
Computer software	3 years

(*) Indefinite land use rights with fees or by transfer are not amortized. Land use rights with definite terms or leased land use rights are amortized over the lease terms or the period of use.

17. Receivables

17.1 Receivables classified as credit risk-bearing assets

Receivables classified as credit risk-bearing assets are recognized at cost and classified and provided for allowance by the Bank in accordance with the method described in Note 9.

17.2 Other receivables

Other receivables not classified as credit risk-bearing assets of the Bank are initially recorded at cost and always carried at cost subsequently.

Provision for receivables is determined based on the overdue status of debts or expected loss of current debts in case the debts are not due for payment yet but the corporate debtors have bankrupted or have fled from business address, or of individual debtors who are being prosecuted, detained or tried by law enforcement bodies or have deceased or the debt has been requested to be tried but cannot be executed due to the debtor having fled his place of residence; the debt has been sued for debt collection but the case has been suspended. Provision expense incurred is recorded in "Provision expenses" on the separate statement of income.

Provision for overdue debts is made as follows:

Overdue status	Allowance rate
From over six months to under one year	30%
From one to under two years	50%
From two to under three years	70%
From three years and above	100%

18. Prepaid expenses and deferred expenses

Prepaid expenses are reported as short-term or long-term prepaid expenses on the separate statement of financial position and amortized over the period for which the amount is paid or the period in which economic benefit is generated in relation to these expenses.

19. Goodwill

Goodwill acquired in a business combination is initially recognized at cost being the excess of the cost the business combination over the Bank's interest in the net fair value of the acquiree's identifiable assets, liabilities and contingent liabilities. If the cost of a business combination is less than the fair value of the net assets of the subsidiary acquired, the difference is recognized directly in the separate statement of income. After initial recognition, goodwill is recognized at cost less any accumulated amortization. Goodwill is amortized on a straight-line basis over a period of ten (10) years.

20. Re-purchase and reverse-repurchase contracts

Securities sold under agreements to repurchase at a specific date in the future (repos) are still recognized in the separate financial statements. The corresponding cash received from these agreements is recognized in the separate statement of financial position as a borrowing and the difference between the sale price and repurchase price is amortized in the separate statement of income over the term of the agreement using the straight-line method based on the interest rate stipulated in the contract over the term of the agreement.

Conversely, securities purchased under agreements to resell at a specific date in the future are not recognized in the separate financial statements. The corresponding cash paid under these agreements is recognized as a loan in the separate statement of financial position and the difference between the purchase price and resale price is amortized in the separate statement of income over the term of the agreement using the straight-line method based on the interest rate stipulated in the contract over the term of the agreement.

21. Operating lease

Payments for operating lease are recognized in the separate statement of income for the on straight line basis based on duration of lease contract.

22. Dues to the Government and the State Bank

Dues to the Government and the State Bank are recognized at cost.

23. Deposits from other credit institutions and customers, other borrowed and entrusted funds and valuable papers issued

Deposits from other credit institutions, customer deposits, other borrowed and entrusted funds and valuable papers issued are disclosed at the principal amounts outstanding at the end of the year. At the date of initial recognition, expenses for bond issuance are deducted from the principal amount of the bonds. The Bank then allocates these expenses into "*Interest and similar expenses*" on a straight-line basis according to the terms of value papers.

24. Foreign currency transactions

According to the accounting system of the Bank, all transactions are recorded in original currencies. Monetary assets and liabilities denominated in foreign currencies are translated into VND using exchange rates ruling at the separate statement of financial position date (*Note V.6*). Income and expenses arising in foreign currencies during the year are converted into VND at rates ruling at the transaction dates. Foreign exchange differences arising from the translation of monetary assets and liabilities are recognized in the separate statement of income.

25. Payables and accruals

Payables and accruals are recognized for amounts to be paid in the future for goods and services received, whether or not billed to the Bank.

26. Capital and reserves

26.1 Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of ordinary shares are recognized as a deduction from share premium in equity.

26.2 Share premium

On receipt of capital from shareholders, the difference between the issuance price and the par value of the shares is recorded as share premium in equity.

26.3 Treasury shares

Treasury shares are recognised only in respect of repurchased shares which are aggregated fractions of share arising when the company issues shares to pay dividends or issues shares from equity reserves in accordance with an approved issuance plan, or repurchased fractional-lots of shares as requested by the shareholders. Odd shares represent the share capital formed by combining the fractional shares divided proportionally to investors. In all other cases, when shares recognised as equity are repurchased, their par value amount is recognised as a reduction to share capital. The difference between the par value and the amount of the consideration paid, which includes directly attributable costs, net of tax effects, is included in share premium.

26.4 Reserves

Reserves are for specific purposes and appropriate from net profit after tax of the Bank at prescribed rates as below and according to the Resolution of the General Meeting of Shareholders:

- ▶ Supplementary charter capital reserve: 5% of net profit after tax and does not exceed charter capital;
 - ▶ Financial reserve: 10% of net profit after tax;
- Other reserves: are to be made upon the current regulations and resolution of the General Shareholders' Meeting.

27. Recognition of income and expenses

27.1 Interest income and expenses

Interest income and expenses are recognized in the separate statement of income on an accrual basis. The recognition of accrued interest income of a loan is suspended when such debt is classified in groups 2 to 5 in compliance with Circular 11 (prior 1 July 2024) and Circular 31 (from 1 July 2024) and restructured under Circular 01/2020 and Circular 02/2023 and Circular 53/2024 will not be recognized in the separate statement of income. Accrued of thoses loan are reversed and monitored off-balance sheet and recognized in the separate statement of income upon actual receipt.

27.2 Banking services fees

Banking services fees are recognized when the services are performed.

27.3 Income from investment activities

Income from securities trading is recognized based on differences between selling price and cost of securities sold.

Cash dividend is recognized in the separate statement of income upon formation of cash dividend right.

Dividend paid in the form of common shares, bonus shares and right shares for existing shareholders, shares distributed from retained earnings are not recognized as an increment in investment value or income of the Bank only the quantity of shares is updated.

27.4 Income from other services

When the result of the contract is definitely determined, income is recognized based on the stage of completion of work or service. If the result of the contract is not determined, income is only recognized to the extent of recoverable amount of expenses incurred.

27.5 Recognition of uncollectible receivables

According to Circular No. 16/2018/TT-BTC dated 7 February 2018 issued by the Ministry of Finance guiding on the financial regime for credit institutions and foreign bank branches, receivables from uncollectible accrued income at the due date are recorded as reduction in revenue if the income has been accrued in the same year or recorded as expense if the income has been accrued in different years and monitored in off-balance sheet. Upon actual receipt of these receivables, the Bank would recognize to income on the separate statement of income.

28. Corporate income taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from (or paid to) the tax authorities – using the tax rates and tax laws applied and enacted at the end of the annual accounting period.

Current income tax is charged or credited to the separate statement of income except when it relates to items recognized directly to equity, in this case the current income tax is also recognized in equity.

Current income tax assets and liabilities are offset when there is a legally enforceable right for the Bank to offset current tax assets against current tax liabilities and when the Bank intends to settle its current tax assets and liabilities on a net basis.

Deferred tax

Deferred tax is provided on temporary differences at the end of the annual accounting period between the tax base of assets and liabilities and their carrying amount for the financial reporting purposes.

Deferred tax payables are recognized for temporary taxable differences.

Deferred tax assets are recognized for all deductible temporary differences, deductible amounts carried over subsequent periods of taxable losses and unused tax credits when it is probable that there will be sufficient taxable profit to use deductible temporary differences, taxable losses and tax credits. Previously unrecognized deferred tax assets are reviewed at the end of the year and are recognised only to the extent that it is probable that future taxable profits will be available against which these unrecognised deferred tax assets can be utilised. Deferred tax assets and deferred tax liabilities are determined on the basis of expected tax rate applied when assets are recovered or liabilities are settled and on the basis of tax rate and tax laws which effective at the end of the annual accounting period.

29. Derivatives

The Bank enters in currency forward contracts and swap contracts to facilitate customers to transfer, modify or mitigate foreign exchange risk or other market risks, and also for the business purpose of the Bank.

Currency forward contracts

The forwards contracts are recorded at nominal value at the transaction date and are revalued at spot exchange rate at the reporting date and are stated at net value in the separate statement of financial position. Differences upon revaluation at the end of the period are recognised in the "Foreign exchange differences" account in the separate statement of financial position each month and are transferred to the separate statement of income at the end of the annual accounting period or upon maturity. 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.

Swap contracts

The currency swap contracts are commitments to buy or sell the same amount of foreign currency (only two currencies are used in the transaction) with the same partner, in which there is a transaction with the spot payment term and a transaction with a payment period determined in the future and the rate of the two transactions is determined at the time of determination of spot transaction. Premiums/discounts arising from the difference of the spot exchange rate at the effective date of the contracts and the forward exchange rate will be recognised immediately on the effective date of the contracts as an asset if they are positive or as a liability if they are negative in the separate statement of financial position. This difference is amortised to the separate statement of income on a straight-line basis over the term of the swap contracts.

Interest rate swap differences are recognized in the income statement on an accrual basis.

30. Employees benefits

30.1 Post-employment benefits

Post-employment benefits are paid to retired employees of the Bank in Vietnam by the Social Insurance Agency of the Ministry of Labor, Invalids and Social Affairs. The Bank is required to contribute to these post-employment benefits by paying social insurance and occupational accident and disease insurance at the rate of 17% and 0.5%, respectively of the employee's basic monthly salary. Other than that, the Bank has no further obligation. Social insurance and occupational accident and disease insurance are recognized in the separate statement of income when incurred.

30.2 Voluntary resignation benefits

The Bank has the obligation, under Article 46 of the Vietnam Labour Law 45/2019/QH14 comes into force from 1 January 2021, to pay allowance arising from voluntary resignation of employees who fully meet the requirements of relevant laws and regulations, equal to one-half month's salary for each year of employment up to 31 December 2008 plus salary allowances (if any). The average monthly salary used in this calculation is the average monthly salary of the latest year up to the resignation date. Allowance arising from voluntary resignation is recognized in the separate statement of income when payments are made.

30.3 Unemployment insurance

According to Circular No. 28/2015/TT-BLĐTBXH providing guidance for Decree No. 28/2015/ND-CP dated 12 March 2015 on unemployment insurance, from 1 January 2009, the Bank is required to contribute to the unemployment insurance at the rate of 1% of salary and wage fund of unemployment insurance joiners and deduct 1% of monthly salary and wage of each employee to contribute to the unemployment insurance. Unemployment insurance is recognized in the separate statement of income when incurred.

31. Segment report

A division is a separately identifiable component of the Bank participating in the provision of related products or services (a business division), or the provision of products or services in an specific economic environment (segment divided by geographic area), each of which bears different risks and benefits from the others. The Bank 's primary template for segment reporting is based on business segments.

32. Related parties

Parties are considered to be related parties of the Bank if one party has the ability, directly or indirectly, to control the other party or influence the other party to make financial and operating decisions, or when the Bank and the other party are under common control or common material influence. Related parties can be corporations or individuals, including close family members of any individual considered to be related.

33. Offsetting/Net off

Financial assets and financial liabilities are offsets and the net amount is reported in the separate statement of financial position if, and only if, there is a currently enforceable legal right to offset financial assets against financial liabilities or vice-versa, and there is an intention to settle on a net basis, or to realize the assets and settle the liabilities simultaneously.

III- ADDITIONAL INFORMATION FOR STATEMENT OF FINANCIAL POSITION

1. Cash, gold and gemstones

	31/12/2024 VND million	31/12/2023 VND million
Cash in VND	2,984,697	3,314,263
Cash in foreign currencies	276,644	314,572
Gold	5,107	9,095
	3,266,448	3,637,930

2. Balances with the State banks

	31/12/2024 VND million	31/12/2023 VND million
Balances with the State Bank of Vietnam	27,430,956	64,742,436
- In VND	26,863,457	55,350,039
- In foreign currencies	567,499	9,392,397
Balances with the Bank of the Lao P.D.R	568,032	525,859
	27,998,988	65,268,295

3. Placements with and loans to other credit institutions

	31/12/2024 VND million	31/12/2023 VND million
Placements with other credit institutions		
Demand Accounts		
- In VND	5,499,868	1,564,735
- In foreign currencies	5,157,164	14,641,035
Term deposits		
- In VND	55,404,500	21,225,000
- In foreign currencies	3,361,724	6,385,616
Loans to other credit institutions		
In VND	2,881,932	1,484,422
In foreign currencies	-	485,000
	72,305,188	45,785,808

4. Securities held for trading

Investments into securities held for trading include:

	31/12/2024 VND million	31/12/2023 VND million
Debt securities	6,560,835	43,200,913
Debt securities issued by the Government	-	1,043,972
Debt securities issued by other domestic credit institutions	6,560,835	42,156,941
Provision for diminution in the value of securities held for trading	-	-
	6,560,835	43,200,913

5. Loans to customers

	31/12/2024 VND million	31/12/2023 VND million
Loans to domestic economic entities and individuals	731,028,279	575,244,264
Discounted commercial bills and valuable papers	2,500,151	1,717,308
Loans financed by entrusted funds	44,166	63,587
Payments on behalf of customers	62,439	42,785
Loans to overseas organizations and individuals	959,059	795,002
	734,594,094	577,862,946

- Analysis of loan portfolio by quality:

	31/12/2024 VND million	31/12/2023 VND million
Current loans	717,557,785	561,512,924
Special mentioned	6,542,954	8,228,168
Sub-standard	2,620,648	2,698,510
Doubtful	3,365,874	2,572,000
Loss	4,506,833	2,851,344
	734,594,094	577,862,946

- Analysis of loan portfolio by maturity:

	31/12/2024 VND million	31/12/2023 VND million
Short term	401,672,344	308,193,210
Medium term	72,708,233	58,423,020
Long term	260,213,517	211,246,716
	734,594,094	577,862,946

- *Analysis of loan portfolio by ownership and type of entities*

	31/12/2024 VND million	%	31/12/2023 VND million	%
Loans to economic entities	425,746,734	57.94	322,082,732	55.73
State-owned enterprises	30,754,076	4.19	23,475,539	4.06
One-member limited liability companies with 100% State-owned capital	10,458,752	1.42	6,704,263	1.16
One-member limited liability companies with over 50% State-owned capital	2,731,618	0.37	1,484,514	0.26
Other limited liability companies	130,491,477	17.76	96,980,688	16.78
Joint Stock Companies over 50% State-owned Capital (the State holds dominating shares)	3,480,485	0.47	4,285,698	0.74
Other joint stock companies	228,839,706	31.15	173,608,837	30.04
Foreign invested enterprises	18,816,306	2.56	15,429,823	2.67
Cooperatives and cooperative unions	174,314	0.02	113,370	0.02
Loans to individuals	305,911,530	41.66	254,308,403	44.01
Household business, individuals	305,911,530	41.66	254,308,403	44.01
Other loans	1,976,771	0.27	684,579	0.12
Administrative units and Association	170,815	0.02	98,067	0.02
Others	1,805,956	0.25	586,512	0.10
Loans to customers of the Overseas branches	959,059	0.13	787,232	0.14
Loans to enterprises	640,888	0.09	466,430	0.08
Loans to individuals	318,171	0.04	320,802	0.06
	734,594,094	100.00	577,862,946	100.00

- *Analysis of loan portfolio by sectors*

	31/12/2024 VND million	%	31/12/2023 VND million	%
Agriculture, forestry and aquaculture	8,724,854	1.19	6,234,490	1.08
Mining	3,975,824	0.54	3,178,276	0.55
Production and processing	124,040,940	16.89	98,521,149	17.05
Electricity, petroleum and steam	46,125,259	6.28	41,237,247	7.14
Water supply and waste treatment	1,267,073	0.17	1,075,745	0.19
Construction	31,917,958	4.34	28,700,450	4.97
Wholesale and retail trade, repair of motor vehicles, motorcycles	222,846,289	30.34	165,406,488	28.61
Transportation, logistics	25,762,468	3.51	16,132,904	2.79
Hospitality services	16,057,822	2.19	11,570,229	2.00
Information and communication	7,100,447	0.97	3,309,515	0.57
Finance, Banking and insurance services	7,697,847	1.05	1,499,841	0.26
Real estates	64,141,215	8.73	43,268,446	7.49
Expertise, science and technology	668,318	0.09	575,417	0.10
Administrative and supportive services	1,905,606	0.26	924,125	0.16
Education and training	1,791,148	0.24	1,307,008	0.23
Healthcare and community development	5,535,906	0.75	4,607,913	0.80
Art and entertainment	2,395,960	0.33	2,659,628	0.46
Other services	533,019	0.07	242,700	0.04
Household services	161,147,082	21.93	146,624,143	25.37
Loans at overseas branches	959,059	0.13	787,232	0.14
	734,594,094	100.00	577,862,946	100.00

6. Movements (increase/decrease) of provision for credit losses :

Movements in the provision for credit losses during the period then ended 31 December 2024 include the following items:

	<i>In Vietnam</i>			<i>In foreign branches</i>			<i>VND million</i>		
	<i>Specific Allowance</i>	<i>General Allowance</i>	<i>Total</i>	<i>Specific Allowance</i>	<i>General Allowance</i>	<i>Total</i>	<i>Specific Allowance</i>	<i>General Allowance</i>	<i>Total</i>
Balance at the beginning	5,081,391	4,293,037	9,374,428	5,093	3,883	8,976	5,086,484	4,296,920	9,383,404
Provision made/ reversed during the period	5,254,063	1,166,797	6,420,860	4,636	860	5,496	5,258,699	1,167,657	6,426,356
Utilized provisions	(5,879,812)	-	(5,879,812)	(9,342)	-	(9,342)	(5,889,154)	-	(5,889,154)
Exchange rate differences	-	-	-	178	40	218	178	40	218
Balance at the reporting period	4,455,642	5,459,834	9,915,476	565	4,783	5,348	4,456,207	5,464,617	9,920,824

Movements in the provision for credit losses during the financial year 2023 include the following items:

	<i>In Vietnam</i>			<i>In foreign branches</i>			<i>VND million</i>		
	<i>Specific Allowance</i>	<i>General Allowance</i>	<i>Total</i>	<i>Specific Allowance</i>	<i>General Allowance</i>	<i>Total</i>	<i>Specific Allowance</i>	<i>General Allowance</i>	<i>Total</i>
Balance at the beginning	7,488,905	3,191,451	10,680,356	6,662	19,602	26,264	7,495,567	3,211,053	10,706,620
Provision made/ reversed during the period	1,835,087	1,101,586	2,936,673	1,355	172	1,527	1,836,442	1,101,758	2,938,200
Other changes	-	-	-	(3,214)	(15,613)	(18,827)	(3,214)	(15,613)	(18,827)
Utilized provisions	(4,242,659)	-	(4,242,659)	-	-	-	(4,242,659)	-	(4,242,659)
Exchange rate differences	58	-	58	290	(278)	12	348	(278)	70
Balance at the reporting period	5,081,391	4,293,037	9,374,428	5,093	3,883	8,976	5,086,484	4,296,920	9,383,404

7. Debt purchase

	31/12/2024 VND million	31/12/2023 VND million
Debt purchase by VND	1,041,362	1,848,863
Provision	(89,853)	(58,995)
	951,509	1,789,868

The details of the principal and interest values of debts purchased from the Bank are as follows:

	31/12/2024 VND million	31/12/2023 VND million
Purchased principal debt	1,041,069	1,848,533
Interest of purchased debt	293	330
	1,041,362	1,848,863

8. Investment securities

8.1 Available-for-sale investment securities

The detailed data of available-for-sale investment securities of the Bank is as follows:

		31/12/2024 VND million	31/12/2023 VND million
Available-for-sale investment securities			
Debt securities issued by the Government	(i)	46,403,490	35,868,286
Debt securities guaranteed by the Government	(i)	24,052,995	23,596,717
Debt securities issued by other credit institutions	(ii)	99,189,494	46,766,145
Debt securities issued by domestic economic entities	(iii)	29,697,788	34,673,458
		199,343,767	140,904,606
Provision for available-for-sale investment securities		(233,079)	(366,532)
		199,110,688	140,538,074

- (i) Debt securities issued by the Government and Debt securities guaranteed by the Government include bonds with 3-year to 20-year term at annual interest rates from 2.00% to 8.10%/year,
- (ii) Debt securities issued by other credit institutions include bonds with 6-months to 7-year term at annual interest rates from 4.1% to 7.50%/year,
- (iii) Debt securities issued by domestic economic entities include bonds with 3-years to 16-year term at annual interest rates from 5.00% to 12.20%/year.

8.2 Held-to-maturity investment securities

The detailed data of held-to-maturity investment securities of the Bank is as follows:

		<i>31/12/2024</i> <i>VND million</i>	<i>31/12/2023</i> <i>VND million</i>
Held-to-maturity investment securities			
Debt securities issued by other credit institutions	(i)	50,000	50,000
Debt securities issued by domestic economic entities	(ii)	691,635	1,740,835
		741,635	1,790,835
Provision for held-to-maturity investment securities		(230,498)	(98,383)
		511,137	1,692,452

(i) Debt securities issued by other credit institutions with 5-year term at annual interest rates 9.00%/year,

(ii) Debt securities issued by domestic economic entities include bonds with 7-year to 10-year term at annual interest rates from 8.90% to 10.10%/year.

9. Long-term investment

Details of long-term investments items are as follows:

	<i>31/12/2024</i> <i>VND million</i>	<i>31/12/2023</i> <i>VND million</i>
Investment in subsidiaries	8,158,804	7,274,854
Other long-term investments	373,173	373,173
	8,531,977	7,648,027
Provision for long-term investments	(33,492)	(33,492)
	8,498,485	7,614,535

9.1 Investments in subsidiaries

The detailed data of Investments in subsidiaries were consolidated of the Bank is as follows:

	31/12/2024		31/12/2023	
	Book value VND million	% Ownership	Book value VND million	% Ownership
Military Bank Asset Management Company Limited	665,862	100.00%	665,862	100.00%
MB Securities Joint Stock Company	3,194,207	76.35%	2,310,257	79.73%
MB Capital Management Joint Stock Company	293,900	90.77%	293,900	90.77%
MB Shinsei Finance Limited Liability Company	400,000	50.00%	400,000	50.00%
Military Insurance Corporation	879,375	68.37%	879,375	68.37%
MB Ageas Life Insurance Company Limited	915,000	61.00%	915,000	61.00%
MB Bank (Cambodia) PLC	1,810,460	100.00%	1,810,460	100.00%
	8,158,804		7,274,854	

9.2 Other long-term investments

The detailed data of other long-term investments of the Bank are as follows:

	31/12/2024 VND million	31/12/2023 VND million
Investment in economic entities	373,173	373,173
	373,173	373,173

9.3 Provision for long-term investments

	31/12/2024 VND million	31/12/2023 VND million
Provision for investment securities	463,577	464,915
Provision for long-term investments	33,492	33,492
	497,069	498,407

9.3.1 Provision for investment securities

	31/12/2024 VND million	31/12/2023 VND million
Available-for-sale investment securities	233,079	366,532
Held-to-maturity investment securities	230,498	98,383
	463,577	464,915

9.3.2 Provision for long-term investments

	31/12/2024 VND million	31/12/2023 VND million
Other long-term investments	33,492	33,492
	33,492	33,492

10. Tangible fixed assets

Movements in tangible fixed assets during the period ended 31/12/2024 are as follows:

	<i>Building and structures VND million</i>	<i>Machines, equipment VND million</i>	<i>Transportation vehicles & transmission equipment VND million</i>	<i>Other tangible fixed assets VND million</i>	<i>Total VND million</i>
Cost					
Opening balance	2,507,415	2,671,527	1,203,238	551,375	6,933,555
Additions	3,078	553,667	240,269	408,927	1,205,941
Decreases	(700)	(102,189)	(56,604)	(26,761)	(186,254)
Exchange rate differences	-	(48)	(22)	(5)	(75)
Closing balance	2,509,793	3,122,957	1,386,881	933,536	7,953,167
Accumulated depreciation					
Opening balance	602,293	2,082,672	1,003,028	376,932	4,064,925
Additions	93,171	420,927	108,298	120,232	742,628
Decreases	-	(102,187)	(55,630)	(26,736)	(184,553)
Other Increases/(Decreases) during the period	-	26,296	20,162	19,580	66,038
Exchange rate differences	-	(38)	(14)	(6)	(58)
Closing balance	695,464	2,427,670	1,075,844	490,002	4,688,980
Net book value:					
Opening balance	1,905,122	588,855	200,210	174,443	2,868,630
Closing balance	1,814,329	695,287	311,037	443,534	3,264,187

Movements in tangible fixed assets during the financial year 2023 are as follows:

	<i>Building and structures VND million</i>	<i>Machines, equipment VND million</i>	<i>Transportation vehicles & transmission equipment VND million</i>	<i>Other tangible fixed assets VND million</i>	<i>Total VND million</i>
Cost					
Opening balance	2,424,122	2,495,187	1,067,066	476,669	6,463,044
Additions	92,617	237,943	159,228	81,272	571,060
Decreases	-	(45,916)	(17,207)	(2,756)	(65,879)
Other increase/(decrease) during the period	(9,313)	(14,845)	(5,460)	(3,720)	(33,338)
Exchange rate differences	(11)	(842)	(389)	(90)	(1,332)
Closing balance	2,507,415	2,671,527	1,203,238	551,375	6,933,555
Accumulated depreciation					
Opening balance	506,379	1,669,666	862,628	271,190	3,309,863
Additions	104,053	429,514	157,065	84,338	774,970
Decreases	-	(37,270)	(17,207)	(2,058)	(56,535)
Other increase/(decrease) during the period	(8,128)	21,367	801	23,543	37,583
Exchange rate differences	(11)	(605)	(259)	(81)	(956)
Closing balance	602,293	2,082,672	1,003,028	376,932	4,064,925
Net book value					
Opening balance	1,917,743	825,521	204,438	205,479	3,153,181
Closing balance	1,905,122	588,855	200,210	174,443	2,868,630

11. Intangible fixed assets

Movements in intangible fixed assets during the period ended 31/12/2024 are as follows:

	<i>Definite land use rights VND million</i>	<i>Computer software VND million</i>	<i>Total VND million</i>
Cost:			
Opening balance	1,136,125	1,936,345	3,072,470
Additions	-	660,860	660,860
Decreases	-	(4,586)	(4,586)
Exchange rate differences	-	(18)	(18)
Closing balance	1,136,125	2,592,601	3,728,726
Accumulated amortisation:			
Opening balance	238,703	1,702,100	1,940,803
Depreciation during the period	20,677	482,877	503,554
Decreases	-	(4,586)	(4,586)
Others increases/(decreases) during the period	-	6,385	6,385
Exchange rate differences	-	(4)	(4)
Closing balance	259,380	2,186,772	2,446,152
Net book value:			
Opening balance	897,422	234,245	1,131,667
Closing balance	876,745	405,829	1,282,574

The movements of intangible fixed assets during the financial year 2023 are as follows:

	<i>Definite land use rights VND million</i>	<i>Computer software VND million</i>	<i>Total VND million</i>
Cost:			
Opening balance	1,084,972	1,545,950	2,630,922
Additions	51,153	395,625	446,778
Others increases/(decreases)	-	(5,230)	(5,230)
Closing balance	1,136,125	1,936,345	3,072,470
Accumulated amortisation:			
Opening balance	218,797	1,365,779	1,584,576
Depreciation during the year	19,906	329,440	349,346
Others increases/(decreases)	-	6,881	6,881
Closing balance	238,703	1,702,100	1,940,803
Net book value:			
Opening balance	866,175	180,171	1,046,346
Closing balance	897,422	234,245	1,131,667

12. Receivables

	31/12/2024 VND million	31/12/2023 VND million
Internal receivables	236,574	57,337
External receivables	8,958,042	9,559,290
	9,194,616	9,616,627

Details of external receivables as follows:

	31/12/2024 VND million	31/12/2023 VND million
- Construction in progress, purchase of fix assets	197,460	212,667
- Deposits, mortgages, pledges	587,934	564,494
- Trade finance receivables	1,412,951	7,324,071
- Receivables related to payment services	241,946	618,276
- Advances and deposits for contracts	131,858	107,774
- Other receivables	6,385,893	732,008
	8,958,042	9,559,290

13. Other Assets

	31/12/2024 VND million	31/12/2023 VND million
Expenses awaiting for allocation	1,305,144	2,467,466
Goodwill	9,523	19,045
Other assets	471,505	117,388
	1,786,172	2,603,899

14. Provision for other assets

	31/12/2024 VND million	31/12/2023 VND million
Provision for other assets	39,258	39,258
	39,258	39,258

15. Due to the Government and the State Bank

	31/12/2024 VND million	31/12/2023 VND million
Due to the Government and the State Bank	8,156,285	8,738
	8,156,285	8,738

16. Deposits and borrowings from other Credit Institutions (CIs)

	31/12/2024 VND million	31/12/2023 VND million
Demand deposits from other CIs	5,898,104	14,315,508
- In VND	5,804,081	13,691,781
- In foreign currencies	94,023	623,727
Term deposits from other CIs	66,513,600	53,666,100
- In VND	59,165,000	42,515,000
- In foreign currencies	7,348,600	11,151,100
Borrowings from other CIs	19,428,665	20,161,437
- In VND	10,503,888	7,898,399
- In foreign currencies	8,924,777	12,263,038
	91,840,369	88,143,045

17. Customers deposits

- Classification of customers deposits by deposit types:

	31/12/2024 VND million	31/12/2023 VND million
Demand deposits	273,026,741	216,729,189
- Demand deposits in VND	251,084,228	198,560,341
- Demand deposits in foreign currencies	21,942,513	18,168,848
Term deposits	431,941,261	340,966,525
- Term deposits in VND	425,150,538	335,308,577
- Term deposits in foreign currencies	6,790,723	5,657,948
Deposits for specific purposes	1,791,286	3,188,730
Margin deposits	7,307,639	8,755,701
- Margin deposits in VND	4,046,348	6,769,652
- Margin deposits in foreign currencies	3,261,291	1,986,049
	714,066,927	569,640,145

- Classification of customers deposits by customer types:

	31/12/2024 VND million	31/12/2023 VND million
Economic entities	295,059,071	241,048,118
Individuals	419,007,856	328,592,027
	714,066,927	569,640,145

18. Derivatives and other financial assets/(liabilities)

<i>Total book value (at exchange rates at the reporting date)</i>			
	<i>Assets</i>	<i>Liabilities</i>	<i>Net value</i>
	<i>VND million</i>	<i>VND million</i>	<i>VND million</i>
As at 31 December 2024			
<i>FX Derivatives</i>	173,515	(364,970)	(191,455)
Forward currency contracts	-	(364,970)	(364,970)
Swap currency contracts	173,515	-	173,515
As at 31 December 2023			
<i>FX Derivatives</i>	205,742	(64,448)	141,294
Forward currency contracts	-	(64,448)	(64,448)
Swap currency contracts	205,742	-	205,742

19. Other borrowed and entrusted funds

	<i>31/12/2024</i>	<i>31/12/2023</i>
	<i>VND million</i>	<i>VND million</i>
Entrusted funds received	73,300	102,500
	73,300	102,500

20. Valuable papers issued

	<i>31/12/2024</i>	<i>31/12/2023</i>
	<i>VND million</i>	<i>VND million</i>
Bonds	34,333,258	21,132,073
- Less than 5 years	17,999,562	11,899,596
- Over 5 years	16,333,696	9,232,477
Certificates of deposits	85,512,146	99,930,020
- Less than 12 months	62,120,000	81,024,619
- Over 12 months	23,392,146	18,905,401
	119,845,404	121,062,093

Bonds are entitled to interest rate of 5.28% per annum to 8.80% per annum.

Certificates of deposits are entitled to interest rate of 3.60% per annum to 11.18% per annum.

21. Other Liabilities

	<i>31/12/2024</i>	<i>31/12/2023</i>
	<i>VND million</i>	<i>VND million</i>
Internal payables	1,768,368	1,594,264
Bonus, welfare funds	1,694,355	1,570,264
External payables	12,150,437	17,853,302
<i>In which: Tax payable (Note IV.10)</i>	<i>3,216,850</i>	<i>3,285,272</i>
	15,613,160	21,017,830

22. Capital and reserves

22.1 Statement of changes in equity:

As at 31 December 2024, the number of issued shares of the Bank is **5,306,324,052** with the face value of each share is 10,000 VND, Therefore, the charter capital of the Bank is **53,063,241** VND million.

Unit: VND million

Items	Opening balance	Provision/ Increase	Utilization/ Adjust	Ending balance
Charter capital	52,140,841	922,400	-	53,063,241
Share premium	869,327	435,007	-	1,304,334
Financial reserve	7,175,661	1,983,054	-	9,158,715
Capital supplementary reserve	3,595,230	991,527	-	4,586,757
Other reserves	807,788	498,558	(348,373)	957,973
Retained profits	24,008,552	22,195,364	(7,723,174)	38,480,742
Total	88,597,399	27,025,910	(8,071,547)	107,551,762

Details of the capital of the Bank as follows:

Unit: VND million

	31/12/2024			31/12/2023		
	Total	Equity Ordinary	Equity Preferred	Total	Equity Ordinary	Equity Preferred
Shareholders' contributed capital	53,063,241	53,063,241	-	52,140,841	52,140,841	-
Share premium	1,304,334	1,304,334	-	869,327	869,327	-
Treasury shares	-	-	-	-	-	-
	54,367,575	54,367,575	-	53,010,168	53,010,168	-

22.2 Shares:

	31/12/2024	31/12/2023
Number of registered shares		
Number of shares issued	5,306,324,052	5,214,084,052
- Ordinary shares	5,306,324,052	5,214,084,052
Number of shares acquired	-	-
- Ordinary shares	-	-
- Preferred shares	-	-
Number of shares circulated	5,306,324,052	5,214,084,052
- Ordinary shares	5,306,324,052	5,214,084,052
- Preferred shares	-	-

* The face value of each share is VND 10,000

IV - Additional information for items in Statement of income

1. Net interest and similar income

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Interest and similar income		
Interest income from deposits	1,919,307	1,331,992
Interest income from loans	47,717,269	46,329,340
Interest income from debt securities	9,499,657	12,009,652
Income from guarantee activities	1,509,950	1,495,953
Interest income from debt purchase and sale	119,924	174,326
Other income from credit activities	831,347	581,694
	61,597,454	61,922,957
Interest and similar expense		
Interest expenses for deposits	(18,167,480)	(20,976,829)
Interest expenses for borrowings	(1,324,941)	(1,333,059)
Interest expenses for valuable papers issued	(6,055,860)	(6,639,829)
Other expenses from credit activities	(1,746,738)	(1,022,680)
	(27,295,019)	(29,972,397)
Net interest and similar income	34,302,435	31,950,560

2. Net fee and commission income

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Fee and commission income		
Income from settlement services	3,341,702	2,731,193
Income from treasury services	8,484	8,275
Income from advisory services	308,499	186,926
Income from trust and agency services	1,005,362	1,147,895
Income from other services	1,217,255	906,427
	5,881,302	4,980,716
Fee and commission expenses		
Expenses for settlement services	(2,234,928)	(1,872,231)
Expenses for brokerage services	(545,341)	(448,827)
Expenses for treasury services	(31,790)	(16,027)
Expenses for other services	(44,797)	(83,076)
	(2,856,856)	(2,420,161)
Net fee and commission income	3,024,446	2,560,555

3. Net gain from trading of foreign currencies

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Income from trading of foreign currencies		
Income from spot foreign currencies and gold trading	3,989,183	3,097,217
Income from currency derivatives	3,061,046	3,053,354
	7,050,229	6,150,571
Expenses for trading of foreign currencies		
Expenses for spot foreign currencies and gold trading	(1,299,580)	(527,931)
Expenses for currency derivatives	(3,747,498)	(4,405,779)
	(5,047,078)	(4,933,710)
Net gain from trading of foreign currencies	2,003,151	1,216,861

4. Net gain from securities held for trading, investment securities and long-term investments

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Net gain from securities held for trading		
Income from securities held for trading	1,582,842	475,140
Expenses for securities held for trading	(466)	(32,114)
	1,582,376	443,026
Net gain from investment securities and long-term investments		
Income from trading investment securities	2,976,354	607,226
Expenses for trading investment securities	(295,596)	(270,071)
Provision (made)/reserved for investment securities	1,338	(84,343)
Provision (made)/reserved for long-term investments	-	(357)
	2,682,096	252,455
Net gain from securities held for trading, investment securities and long-term investments	4,264,472	695,481

5. Net gain from other activities

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Recovery from bad debts previously written-off	2,173,226	1,468,496
Income from/(expenses for) other derivatives	65,859	574,377
Other income/(expenses)	520,219	191,099
	2,759,304	2,233,972

6. Income from capital contribution, share acquisition

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Dividend	568,026	97,574
Other income from capital contribution, share acquisition	372,873	318,071
	940,899	415,645

7. Operating expenses

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Expenses on taxes, fees	78,247	81,488
Personnel expenses	7,017,727	5,969,278
Expenses on assets	2,719,638	2,409,865
In which:		
- Depreciation of fixed assets	1,246,182	1,124,318
Administrative expenses	2,769,356	2,481,786
Insurance fees for customer deposits	578,974	447,967
	13,163,942	11,390,384

8. Note to changes in profit:

The Bank's profit after tax in the 4th quarter of 2024 compared to the 4th quarter of 2023 increased **1,349,482 VND million** equivalent to **28,97%** due to the following reasons :

Items with significant changes	Amount VND million
Profit increases due to net interest income	1,895,015
Profit decreases due net fee and commission income	(174,458)
Profit increases due to net gain from trading of foreign currencies	191,818
Profit increases due to net gain from securities held for trading, investment securities and long-term investments	2,428,864
Profit increases due to net gain from other activities	388,388
Profit decreases due to income from capital contribution, share acquisition	(6,250)
Profit decreases due to operating expenses	(1,247,878)
Profit decreases due to provision expenses	(1,688,398)
Profit decreases due to corporate income tax expenses	(437,619)
Total impact to profit after tax	1,349,482

9. Provision made/(reserved) for credit losses

	<i>From 01 January 2024 to 31 December 2024 VND million</i>	<i>From 01 January 2023 to 31 December 2023 VND million</i>
Provision made/(reserved) for loan to customers	6,426,356	2,938,200
Provision made/(reserved) for purchased debt	65,093	56,487
	6,491,449	2,994,687

10. Tax and obligations to the State Budget

	<i>Opening balance</i>	<i>Movements during the period</i>		<i>Closing balance</i>
		<i>Amount payable</i>	<i>Amount paid</i>	
Value added tax	58,031	569,484	(568,245)	59,270
Corporate income tax	3,169,293	5,443,921	(5,650,460)	2,962,754
Other taxes	57,948	1,149,510	(1,012,632)	194,826
	3,285,272	7,162,915	(7,231,337)	3,216,850

11. Current corporate income tax

The Bank has obligation to pay corporate income tax is estimated as follows:

	<i>31/12/2024 VND million</i>	<i>31/12/2023 VND million</i>
Profit before tax	27,639,316	24,688,003
<i>Adjusted for:</i>		
- Non-taxable income (including dividend, overseas branch's profit) and others	(961,764)	(450,877)
- Non-deductible expenses	446,806	14,931
Estimated taxable income in Vietnam	27,124,358	24,252,057
Current corporate income tax expenses in the year(i)	5,424,872	4,850,411
This year's adjustments for current corporate income tax of previous years (ii)	14,908	-
Overseas branch's current corporate income tax (iii)	4,172	7,049
Total corporate income tax expenses in the period (i) + (ii) +(iii)	5,443,952	4,857,460

12. Cash and cash equivalent

Cash and cash equivalent in the separate statement of cash flows include items in separate statement of financial position as follows:

	<i>31/12/2024 VND million</i>	<i>31/12/2023 VND million</i>
Cash and cash equivalent on hand	3,266,448	3,637,930
Balances with the State Bank	27,977,005	65,246,733
Placements with other credit institutions with original term of 3 months or less	69,423,256	43,816,386
	100,666,709	112,701,049

V- Other information

1. Off-balance sheet items

Item	31/12/2024 VND million	31/12/2023 VND million
Credit guarantees	238,395	154,358
Foreign exchange commitments	263,133,210	394,715,794
+ Foreign exchange commitments - buy	4,416,403	1,945,064
+ Foreign exchange commitments - sell	4,492,239	1,423,038
+ Cross currency swap contracts - buy	127,747,604	195,798,455
+ Cross currency swap contract - sell	126,476,964	195,549,237
Letters of credit commitments	29,138,440	23,214,316
Other guarantees	135,544,405	121,725,719
Other commitments	72,142,469	81,915,911

Contingent liabilities and commitments

In the course of its business, the Bank performs financial instruments related to items other than the separate statement of financial position. These financial instruments mainly include guarantees of guarantees and letters of credit. These instruments also create credit risks for the Bank in addition to the credit risks recognized in the balance sheet.

Credit risk of off-balance sheet financial instruments is defined as the ability to introduce credit risk to the Bank when one of the parties related to such financial instrument fails to perform the terms of the contract.

Financial guarantees are conditional commitments that the Bank grants to customers to transact with a third party in the activities of loan guarantee, payment guarantee, contract performance guarantee and bid guarantee. The credit risk associated with the granting of guarantees is essentially the same as that of lending to customers.

A sight commercial letter of credit transaction is a type of transaction in which the Bank provides financing to its customers, usually the buyer/importer of goods and the beneficiary being the seller/exporter. Credit risk in a sight letter of credit is usually low since imported goods are used as collateral for this type of transaction.

A deferred letter of credit transaction will incur a risk when the contract has been performed but the customer does not pay the beneficiary. Deferred payment letters of credit that are not paid by the customer are recognized by the Bank as a mandatory loan and the corresponding liability represents the Bank's financial obligation to pay the beneficiary and fulfil its obligations in guaranteeing for customers.

Banks often require customers to deposit to secure credit-related financial instruments when necessary. The margin value ranges from 0% to 100% of the committed value granted, depending on the customer's reliability level as assessed by the Bank.

2. Related party transactions

During normal business operation, the Bank has undertaken transactions with other parties to which the Bank is related. A party is considered to be related if the party has ability to control or to influence other parties in making decision of financial policies and operational activities. The party is related to the Bank if:

- (a) Directly or indirectly through one or more intermediaries, the party:
 - ▶ controls, is controlled by or is under general control of the Bank (including parents and subsidiaries);
 - ▶ has contributed capital (owning 5% or more of the charter capital or voting share capital) in the Bank that give it significant influence over the Bank;
 - ▶ has joint control over the Bank.
- (b) The party is a joint venture in which the Bank is a venture or an associate (owning 11% or more of the charter capital or voting share capital, but not a subsidiary of the Bank);
- (c) The party has a member who is key personnel of the Board of Directors or the Board of Management of the Bank;
- (d) The Party is a close member the family of any individual referred to in (a) or (c); or
- (e) The party is an entity that is controlled, jointly controlled or significantly influenced by, or for which significant voting power in such company resides with, directly or indirectly, any individual referred to in (c) or (d);

Total outstanding balance of receivables and payables of the Bank with major shareholders as follow:

Transaction type	31/12/2024 VND million	31/12/2023 VND million
Deposits at MB	40,239,944	39,740,091
	40,239,944	39,740,091

The Bank paid remuneration of the Board of Directors and Board of Supervision pursuant to the annual General Meeting of Shareholders resolution.

Salary of Board of Management and other managers is paid in accordance with the Bank's salary regulations.

Details of significant balances with related parties as at 31 December 2024 as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Receivables VND million</i>	<i>(Payables) VND million</i>
MB Securities Joint Stock Company	Subsidiary	Capital contributed	3,194,208	-
		Deposits	-	(2,393,801)
MB Capital Management Joint Stock Company	Subsidiary	Capital contributed	293,900	-
		Deposits	-	(266,390)
MB Asset Management Company Limited	Subsidiary	Capital contributed	665,862	-
		Deposits	-	(367,252)
MB Shinsei Finance Limited Liability Company ("MCredit")	Subsidiary	Capital contributed	400,000	-
		Deposits & loans	8,325,000	(1,190,771)
MB Ageas Life Insurance Company Limited	Subsidiary	Capital contributed	915,000	-
		Deposits	-	(2,389,052)
Military Insurance Corporation ("MIC")	Subsidiary	Capital contributed	879,375	-
		Deposits	-	(729,734)
MB Bank Cambodia PLC	Subsidiary	Capital contributed	1,810,460	-
		Deposits	1,909,376	(2,148)

Details of significant balances with related parties as at 31 December 2023 as follows:

<i>Related parties</i>	<i>Relationship</i>	<i>Transactions</i>	<i>Receivables VND million</i>	<i>(Payables) VND million</i>
MB Securities Joint Stock Company	Subsidiary	Capital contributed	2,310,257	-
		Deposits	-	(1,366,642)
MB Capital Management Joint Stock Company	Subsidiary	Capital Contributed	293,900	-
		Deposits	-	(88,733)
MB Asset Management Company Limited	Subsidiary	Capital Contributed	665,862	-
		Deposits	-	(257,821)
MB Shinsei Finance Limited Liability Company ("MCredit")	Subsidiary	Capital Contributed	400,000	-
		Deposits	4,490,000	(1,830,324)
MB Ageas Life Insurance Company Limited	Subsidiary	Capital Contributed	915,000	-
		Deposits	-	(1,770,828)
Military Insurance Corporation ("MIC")	Subsidiary	Capital Contributed	879,375	-
		Deposits	-	(971,939)
MB Bank Cambodia PLC	Subsidiary	Capital Contributed	1,810,460	-
		Deposits	1,144,600	(35,113)

3. Geographical concentration of assets, liabilities and off-balance sheet items

Total balance of loans to customers, deposits of customers, letters of credit commitments, held for trading and investment securities are presented as follows:

	Total loans to customers	Total deposits of customers	Letters of credit commitments	Held for trading and investment securities
Local	733,635,035	713,401,244	29,138,440	206,588,976
Overseas	959,059	665,683	-	57,261

4. Segment report

31 December 2024

	<i>North VND million</i>	<i>Central VND million</i>	<i>South VND million</i>	<i>Other regions VND million</i>	<i>Net off VND million</i>	<i>Total VND million</i>
Assets	708,422,640	55,154,822	302,676,568	1,713,893	(809,672)	1,067,158,251
Liabilities	605,270,772	53,988,389	299,554,504	1,602,496	(809,672)	959,606,489
Fixed assets	4,340,764	47,907	153,716	4,374	-	4,546,761
Income	131,143,191	6,036,328	32,864,214	218,306	(85,969,428)	84,292,611
Expenses	109,188,557	4,575,272	28,661,453	197,441	(85,969,428)	56,653,295
Profit before tax	21,954,634	1,461,056	4,202,761	20,865	-	27,639,316

31 December 2023

	<i>North VND million</i>	<i>Central VND million</i>	<i>South VND million</i>	<i>Other regions VND million</i>	<i>Net off VND million</i>	<i>Total VND million</i>
Assets	609,105,004	43,321,582	248,924,007	1,491,354	(797,000)	902,044,947
Liabilities	527,512,605	41,523,478	244,025,616	1,182,849	(797,000)	813,447,548
Fixed assets	3,820,012	51,306	125,335	3,644	-	4,000,297
Income	128,425,582	6,961,415	30,889,777	182,585	(88,505,312)	77,954,047
Expenses	111,943,292	4,925,497	24,755,214	147,353	(88,505,312)	53,266,044
Profit before tax	16,482,290	2,035,918	6,134,563	35,232	-	24,688,003

5. Risk management policies related to financial instruments

The Bank's orientation is to become a diversified financial group. Therefore, the use of financial instruments, including funding from customers (with deposit products and valuable papers issued) and investments in high quality financial assets has become the key activities to help the Bank gain necessary interest rate gaps. From the risk management perspective, the Bank is required to maintain the structure of assets, liabilities and equity (including balance sheet items and off-balance sheet items) for the purpose of ensuring safety and mitigating risks in banking activities. In addition, the Bank has invested in securities or granted credit facilities to other banks. The risks related to currency exchange and interest rates have been managed through applying of position limits to restrict over-concentration and simultaneously participating in activities with balancing impact to minimise risks. By holding various assets being high quality financial instruments, the structure of the Bank's interim separate statement of financial position would be able to protect the Bank from significant risks during its business processes and ensure liquidity. In addition, the Bank has been also involved in many derivatives transactions related to financial instruments such as currency forward commitments, currency swap commitments, and interest rate swap commitments for the purpose of managing currency risk.

In the process of credit risk management, the Bank has adopted the Credit Handbook which provides in details the lending policies and procedures as well as implementation guidance on standardisation of the Bank's credit activities. Liquidity risk is limited by holding appropriate amounts of cash and cash equivalents as demand deposits ("Nostro"), term deposits at the SBV and other credit institutions and valuable papers. The safety ratios with risk factors taken into account are also used to manage liquidity risk. The Bank has regularly assessed interest rate gaps, compared to the gaps of domestic markets and international markets to make timely adjustments. In addition, the application of internal risk management processes has become more efficient owing to the deployment of Centralised Capital Management System and Centralised Payment System in which all capital and payment transactions of the Bank are executed by the Head Office. Such centralisation has also helped the Bank to monitor capital movements more effectively and reduce any possible errors and unnecessarily complicated procedures.

5.1 Credit risk

Credit risk is the inherent risk in the business activities of banks, Credit risk is the possibility of loss due to customers' failure to perform or inability to perform their obligations as committed.

The Bank has maintained an appropriate risk management policy to ensure these following basic principles:

- ▶ Establish appropriate credit risk management environment;
- ▶ Operate under healthy credit granting procedure;
- ▶ Maintain managing, measuring and supervising procedure; and
- ▶ Ensure adequate control on credit risk.

The Bank conducts credit review through multiple levels to ensure that a credit is independently reviewed; at the same time, the loan approval is done on the basis of the credit limit assigned to each competent level. In addition, the Bank's credit approval model has the participation of the Credit Council to ensure that credit approval activities are concentrated with the highest quality.

The Bank is using an internal credit rating system approved by the SBV as a management tool to manage credit risk, whereby each customer is rated at a risk level. This risk level may be revised and updated from time to time. Data and ratings of customers throughout the system are controlled and centrally managed at the Head Office. This is the basis for granting credit and providing services to customers as well as making provision for credit risks in accordance with regulations.

5.2 Market risks

5.2.1 Interest risks

The Bank's operations are subject to the risk of interest rate fluctuations to the extent that interest-earning assets and interest-bearing liabilities mature at different times or in differing amounts. Some assets have indefinite maturities or interest rate sensitivities and are not readily matched with specific liabilities.

The following table shows the Bank's assets and liabilities classified by the practical interest rate re-pricing period which is the remaining period from the end of accounting period to the most recent interest rate re-pricing period of assets and liabilities items.

The following assumptions and conditions have been adopted in the analysis of re-pricing period of interest rate of the assets and liabilities of the Bank:

- ▶ Cash, gold and gemstones; long-term investments and other assets (including fixed assets and some other assets) are classified as non-interest bearings;
- ▶ Securities held for trading are classified as up to one (1) month;
- ▶ The interest rate re-pricing period of investment securities is determined as follows:
 - Items with fixed interest rates for the duration of the contract: The interest rate re-pricing term is based on the maturity from the end of the accounting period
 - Items with floating interest rates: The interest rate re-pricing term is based on the latest interest rate re-pricing date from the end of the accounting period;
- ▶ The interest rate re-pricing period of deposits and loans to Credit institutions; loans to customers and credit extension entrustment; due from the Government and the State Bank; deposits and loans from Credit institutions; customers' deposits; other borrowed and entrusted funds and valuable papers issued are determined as follows:
 - Items with fixed interest rates for the duration of the contract: The interest rate re-pricing term is based on the maturity from the end of the accounting period;
 - Items with floating interest rates: The interest rate re-pricing term is based on the latest interest rate re-pricing date from the end of accounting period;
- ▶ Other liabilities are classified as not affected by interest rate re-pricing.

Classification of assets and liabilities as at 31 December 2024 as follows:

Unit: VND million

	Overdue	Non-interest bearing	Interest re-pricing period				Over 12 months	Total
			Up to 1 month	From 1 – 3 months	From 3 – 6 months	From 6 – 12 months		
Assets								
Cash, gold and gemstones	-	3,266,448	-	-	-	-	-	3,266,448
Balances with the State Bank	-	27,998,988	-	-	-	-	-	27,998,988
Placements with and loans to other credit institutions (*)	-	-	65,269,823	7,035,365	-	-	-	72,305,188
Securities held for trading (*)	-	-	6,560,835	-	-	-	-	6,560,835
Derivatives and other financial assets	-	-	-	-	-	-	-	-
Loans to customers and debt purchase (*)	17,934,047	-	246,220,439	270,547,609	93,707,998	78,476,970	28,748,393	735,635,456
Investment securities (*)	226,635	-	20,895,655	19,408,410	17,050,017	41,041,240	101,463,445	200,085,402
Long-term investments (*)	-	8,531,977	-	-	-	-	-	8,531,977
Fixed assets	-	4,546,761	-	-	-	-	-	4,546,761
Other assets (*)	39,258	18,734,942	-	-	-	-	-	18,774,200
Total assets	18,199,940	63,079,116	338,946,752	296,991,384	110,758,015	119,518,210	130,211,838	1,077,705,255
Liabilities								
Due to the Government and SBV	-	-	8,156,285	-	-	-	-	8,156,285
Deposits and borrowings from other credit institutions	-	-	82,169,142	1,733,651	543,665	7,393,911	-	91,840,369
Customers deposits	-	-	387,610,120	119,766,302	112,909,284	81,394,714	12,386,507	714,066,927
Derivatives and other financial liabilities	-	-	(193,515)	72,330	91,253	153,387	68,000	191,455
Other borrowed and trusted funds	-	-	-	3,313	3,025	-	66,962	73,300
Valuable papers issued	-	-	4,900,072	4,889,307	27,000,206	33,236,600	49,819,219	119,845,404
Other liabilities (*)	-	25,432,749	-	-	-	-	-	25,432,749
Total liabilities	-	25,432,749	482,642,104	126,464,903	140,547,433	122,178,612	62,340,688	959,606,489
Interest sensitivity gap (on balance sheet items)	18,199,940	37,646,367	(143,695,352)	170,526,481	(29,789,418)	(2,660,402)	67,871,150	118,098,766

(*): These items do not include provisions

5.2.2 Currency risks

Currency risk is the risk that the value of a financial instrument fluctuates due to changes in foreign exchange rates. The Bank was incorporated and operates in Vietnam, with VND as its reporting currency. The major currency in which the Bank transacts is VND. The Bank's loans and advances to customers were mainly denominated in VND and USD. Some of the Bank's other assets are in currencies other than VND and USD. The Bank's management has set limits on positions by currency based on the internal risk assessment system of the Bank and regulations of the SBV. Positions are monitored on a daily basis and hedging strategies used to ensure positions are maintained within established limits.

Classification of assets and liabilities in foreign currencies translated into VND as at 31 December 2024 as follows

Unit: VND million

	USD equivalent	EUR equivalent	Other currencies equivalent	Total
Assets				
Cash, gold and gemstones	185,073	48,988	47,690	281,751
Balances with the State Bank	1,016,767	2,407	116,357	1,135,531
Placements with and loans to other credit institutions	6,270,592	486,413	1,761,883	8,518,888
Derivatives and other financial assets	-	-	-	-
Loans to customers	32,684,382	-	718,827	33,403,209
Investment securities	-	-	57,261	57,261
Long-term investments	1,810,460	2,731	-	1,813,191
Fixed assets	-	-	4,374	4,374
Other assets	2,022,551	107,619	17,050	2,147,220
Total assets	43,989,825	648,158	2,723,442	47,361,425
Liabilities				
Deposits and borrowings from the SBV and other credit institutions	16,093,929	127,196	146,275	16,367,400
Customer deposits	27,437,586	5,030,936	1,048,057	33,516,579
Derivatives and other financial liabilities	(2,001,169)	(3,142,023)	1,071,786	(4,071,406)
Other liabilities	666,906	14,243	105,697	786,846
Total liabilities	42,197,252	2,030,352	2,371,815	46,599,419
FX position on balance sheet	1,792,573	(1,382,194)	351,627	762,006
FX position off balance sheet	(150,297)	26,715	47,747	(75,835)
FX position on, off balance sheet	1,642,276	(1,355,479)	399,374	686,171

5.2.3 Liquidity risks

Liquidity risk includes 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 Bank uses appropriate risk measurement with operation scale and availability of information system, ensuring risk reduction requirements are met. Liquidity risk is measured through the use of indicators related to cash flows, capital mobilisation capability, and asset liquidity of the Bank. The Bank also has a designated unit to obtain updated domestic and foreign economic information, which directly affects the Bank's trading book and business strategies, as well as on forecasting movements of market factors such as the foreign exchange rate, interest rate and gold price for timely risk warnings. The Bank also establishes and applies a limit system and decision authority at each level based on results of risk measurement for each category.

The following table provides an analysis of the assets and liabilities of the Bank into relevant maturity groupings based on the remaining period from the reporting date to repayment date. In practice, the actual maturity of assets or liabilities may differ from contractual terms based on the addenda to the contracts which may exist.

The following assumptions and conditions have been adopted in the analysis of the maturity period of the Bank's assets and liabilities:

- ▶ Balances at the State Bank are classified as demand deposits, including compulsory reserve deposits. The balance of compulsory reserve deposits depends on the composition and terms of the Bank's deposits from customers;
- ▶ The maturity term of placements with and loans to credit institutions and loans to customers is determined based on the maturity date of the specified contract. Actual maturities may vary as loan agreements are extend. In addition, customer loans are recorded at principal value excluding risk provisions;
- ▶ Securities held for trading are classified into items with terms within one (1) month;
- ▶ The maturity investment securities being debt securities is determined based on the maturity date of each type of securities;
- ▶ The maturity term of available-for-sale investments which are equity securities and equity investments are classified into items with terms from one (1) year to five (5) years since these investments have no maturity date;
- ▶ Deposits and borrowings from other credit institutions and customer deposits are determined based on the nature of these items or the maturity date on the contract. Vostro accounts and demand deposits are transacted as required by customers and are therefore classified as demand deposits. The maturity term for borrowings and term deposits is determined based on the maturity date in accordance with the contract. In fact, these accounts may be renewed and therefore maintained for longer than the original maturity date;
- ▶ The maturity of the valuable paper issued is determined based on the maturity date of each valuable paper; and
- ▶ The maturity term of fixed assets is determined as having term from one (1) to five (5) years,

Classification of assets and liabilities as at 31 December 2024 as follows:

Unit: VND million

		Current					
	Overdue	Up to 1 month	From 1 – 3 months	From 3 – 12 months	From 1 – 5 years	Over 5 years	Total
Assets							
Cash, gold and gemstones	-	3,266,448	-	-	-	-	3,266,448
Balances with the State Bank	-	27,998,988	-	-	-	-	27,998,988
Placements with and loans to other credit institutions (*)	-	65,269,823	7,035,365	-	-	-	72,305,188
Securities held for trading (*)	-	6,560,835	-	-	-	-	6,560,835
Derivatives and other financial asset	-	-	-	-	-	-	-
Loans to customers and debt purchase (*)	17,934,047	39,114,051	109,719,391	280,426,342	142,731,863	145,709,762	735,635,456
Investment securities (*)	226,635	2,003,036	8,692,059	61,594,766	50,798,605	76,770,301	200,085,402
Long-term investments (*)	-	-	-	-	8,531,977	-	8,531,977
Fixed assets	-	-	-	-	4,546,761	-	4,546,761
Other assets (*)	39,258	16,772,478	259,854	1,632,595	64,741	5,274	18,774,200
Total assets	18,199,940	160,985,659	125,706,669	343,653,703	206,673,947	222,485,337	1,077,705,255
Liabilities							
Due to the Government and the SBV	-	8,156,285	-	-	-	-	8,156,285
Deposits and borrowings from other credit institutions	-	82,169,142	1,733,651	7,937,576	-	-	91,840,369
Customers deposits	-	387,610,120	119,766,302	194,303,998	12,366,335	20,172	714,066,927
Derivatives and other financial liabilities	-	(220,222)	59,511	244,640	107,526	-	191,455
Other borrowed and trusted fund	-	-	3,313	3,025	62,249	4,713	73,300
Valuable papers issued	-	4,900,072	4,889,307	60,236,806	37,017,578	12,801,641	119,845,404
Other liabilities (*)	-	25,432,749	-	-	-	-	25,432,749
Total liabilities	-	508,048,146	126,452,084	262,726,045	49,553,688	12,826,526	959,606,489
Net liquidity gap	18,199,940	(347,062,487)	(745,415)	80,927,658	157,120,259	209,658,811	118,098,766

(*): These items do not include provisions,

6. Exchange rates as at reporting date:

	31/12/2024 VND	31/12/2023 VND
USD	25,450.00	24,250.00
EUR	26,715.00	27,079.00
GBP	32,025.00	30,901.00
JPY	163.92	172.16
CHF	28,340.50	28,942.00
AUD	15,915.50	16,559.00
CAD	17,841.50	18,385.00
SGD	18,808.00	18,454.00
THB	752.87	712.98
SEK	2,324.87	2,455.18

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Chief Financial Officer



Pham Nhu Anh
Chief Executive Officer

Ha Noi, Viet Nam
24 January 2025

