



CỘNG HÒA XÃ HỘI CHỦ NGHĨA VIỆT NAM

Độc lập - Tự do - Hạnh phúc

THE SOCIALIST REPUBLIC OF VIETNAM

Independence – Freedom – Happiness

Số/No: 4.12.../MB-HĐQT

V/v: công bố thông tin báo cáo tài chính riêng
và hợp nhất quý I năm 2025

Re: disclosure of information of Separated &
Consolidated Financial Statements for first
quarter of 2025

Hà Nội, ngày 24 tháng 4 năm 2025

Hanoi, 24 April 2025

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

Fax:

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 I năm 2025

Content of Information disclosure: Separated & Consolidated Financial Statements
for 1st Quarter of 2025

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
Fax: (024) 6266 1080
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!

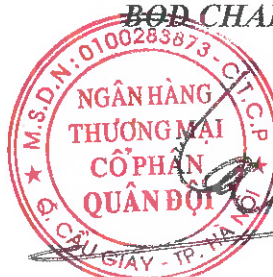
Best Regards!

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



Military Commercial Joint Stock Bank

B02a/TCTD-HN

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

CONSOLIDATE STATEMENT OF FINANCIAL POSITION

As at 31 March 2025

		3/31/2025	31/12/2024 (Audited)
	Notes	VND million	VND million
ASSETS			
Cash, gold and gemstones	III.1	4,223,983	3,349,166
Balances with the State Banks	III.2	15,521,984	29,825,253
Placements with and loans to other credit institutions	III.3	64,338,554	76,785,622
Securities held for trading	III.4	12,481,241	7,931,655
Securities held for trading		12,509,220	7,931,834
Provision for securities held for trading		(27,979)	(179)
Derivatives and other financial assets	III.18	-	-
Loans to customers		786,486,979	765,047,985
Loans to customers	III.5	797,536,715	776,657,846
Provision for credit losses on loans to customers	III.6	(11,049,736)	(11,609,861)
Debt purchase	III.7	466,382	951,509
Debt purchase		523,636	1,041,362
Provision for debt purchase		(57,254)	(89,853)
Investment Securities	III.8	240,234,807	209,637,377
Available-for-sale securities	III.8.1	236,771,888	205,507,956
Held-to-maturity securities	III.7.2	3,969,626	4,612,504
Provision for investment securities		(506,707)	(483,083)
Long-term investments	III.9	696,628	609,477
Other long-term investments	III.9.1	820,760	775,670
Provision for long-term investments		(124,132)	(166,193)
Fixed assets		5,381,759	5,430,416
Tangible fixed assets	III.10	3,772,404	3,750,696
Cost		9,160,651	9,014,672
Accumulated depreciation		(5,388,247)	(5,263,976)
Intangible fixed assets	III.11	1,609,355	1,679,720
Cost		5,006,260	4,976,669
Accumulated amortization		(3,396,905)	(3,296,949)
Investment Properties	III.12	232,570	234,115
Cost		260,415	260,415
Accumulated depreciation		(27,845)	(26,300)
Other assets		26,852,308	28,998,487
Receivables	III.13	10,917,644	14,360,628
Accrued interest and fee receivables		10,315,953	8,918,622
Deferred tax assets		39,278	38,912
Other assets	III.14	5,725,812	5,873,749
In which: Goodwill		-	9,523
Provision for other assets		(146,379)	(193,424)
TOTAL ASSETS		1,156,917,195	1,128,801,062

Military Commercial Joint Stock Bank

B02a/TCTD-HN

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

CONSOLIDATE STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 March 2025

		3/31/2025	31/12/2024 (Audited)
	Notes	VND million	VND million
LIABILITIES			
Due to the Government and the State Bank	III.15	5,494,421	8,156,285
Deposits and borrowings from other credit institutions	III.16	109,015,683	110,169,585
Customer deposits	III.17	722,622,450	714,154,479
Derivatives and other financial liabilities	III.18	526,143	191,545
Other borrowed and entrusted funds	III.19	3,003,072	2,793,453
Valuable papers issued	III.20	146,597,114	128,964,033
Other liabilities		45,981,764	47,312,101
Interest and fee payables		11,305,751	9,899,902
Other payables	III.21	34,674,850	37,411,147
Provision for other liabilities		1,163	1,052
TOTAL LIABILITIES		1,033,240,647	1,011,741,481
OWNERS' EQUITY			
<i>Owners' capital</i>	III.22	64,255,319	56,295,833
Charter capital		61,022,727	53,063,241
Share premium		1,304,334	1,304,334
Other capital		1,928,258	1,928,258
<i>Reserves</i>		14,856,157	14,996,847
<i>Foreign exchange difference</i>		148,911	137,797
<i>Retained profits</i>		39,322,902	40,718,224
NON-CONTROLLING INTEREST		5,093,259	4,910,880
TOTAL OWNERS' EQUITY		123,676,548	117,059,581
TOTAL LIABILITIES AND OWNERS' EQUITY		1,156,917,195	1,128,801,062

Military Commercial Joint Stock Bank

B02a/TCTD-HN

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

CONSOLIDATE STATEMENT OF FINANCIAL POSITION (Continued)

As at 31 March 2025

OFF-BALANCE SHEET ITEMS

	Notes	31/03/2025	31/12/2024
		VND million	(Audited) VND million
CONTINGENT LIABILITIES AND COMMITMENTS	V.1		
Credit guarantees		237,595	238,395
Foreign exchanges commitments		404,631,121	263,133,210
- Foreign exchange commitments - buy		2,647,481	4,416,403
- Foreign exchange commitments - sell		2,017,931	4,492,239
- Cross currency swap contracts - buy		200,339,464	127,747,604
- Cross currency swap contracts - sell		199,626,245	126,476,964
Letters of credit commitments		27,851,432	29,138,440
Other guarantees		132,304,112	135,649,614
Other commitments		105,315,671	72,142,229

Prepared by:

Reviewed by:

Approved by:

Le Thi Huyen Trang
Director of Accounting Center

Ha Noi, Viet Nam
24 April 2025

Dang Thuy Dung
Chief Accountant

Nguyen Thi Thanh Nga
Chief Financial Officer



Pham Nhu Anh
Chief Executive Officer

Military Commercial Joint Stock Bank

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

B03a/TCTD-HN

CONSOLIDATE STATEMENT OF INCOME

Quarter I/2025

	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		19,590,312	16,260,267	19,590,312	16,260,267
Interest and similar expenses		(7,898,128)	(7,197,974)	(7,898,128)	(7,197,974)
Net interest and similar income	IV.1	11,692,184	9,062,293	11,692,184	9,062,293
Fee and commission income		3,611,961	3,267,400	3,611,961	3,267,400
Fee and commission expenses		(2,376,545)	(2,322,199)	(2,376,545)	(2,322,199)
Net fee and commission income	IV.2	1,235,416	945,201	1,235,416	945,201
Net gain from trading of foreign currencies	IV.3	537,800	461,483	537,800	461,483
Net gain from securities held for trading	IV.4	168,718	964,787	168,718	964,787
Net gain from investment securities and long-term investments	IV.4	509,329	216,958	509,329	216,958
Net gain from other activities	IV.5	1,179,210	364,448	1,179,210	364,448
Income from capital contribution, share acquisition	IV.6	40	1,528	40	1,528
TOTAL OPERATING INCOME		15,322,697	12,016,698	15,322,697	12,016,698
TOTAL OPERATING EXPENSES	IV.7	(3,949,958)	(3,514,292)	(3,949,958)	(3,514,292)
Net profit before provision for credit losses		11,372,739	8,502,406	11,372,739	8,502,406
Provision expenses for credit losses	IV.9	(2,986,414)	(2,707,095)	(2,986,414)	(2,707,095)
PROFIT BEFORE TAX		8,386,325	5,795,311	8,386,325	5,795,311
Current corporate income tax expense		(1,708,859)	(1,172,141)	(1,708,859)	(1,172,141)
Deferred corporate income tax income		(2,587)	1,046	(2,587)	1,046
Corporate income tax expense	IV.11	(1,711,446)	(1,171,095)	(1,711,446)	(1,171,095)
PROFIT AFTER TAX		6,674,879	4,624,216	6,674,879	4,624,216
Non-controlling interest		107,139	91,518	107,139	91,518
PROFIT AFTER TAX OF THE BANK		6,567,740	4,532,698	6,567,740	4,532,698

Prepared by:

Reviewed by:

Approved by:



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



Dang Thuy Dung
Chief Accountant



Nguyen Thi Thanh Nga
Chief Financial Officer



Pham Nhu Anh
Chief Executive Officer

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

CONSOLIDATE STATEMENT OF CASH FLOWS (Direct method)

As at 31 March 2025

		From 01/01/2025 to 31/03/2025	From 01/01/20234 to 31/03/2024
	Notes	VND million	VND million
CASH FLOWS FROM OPERATING ACTIVITIES			
Interest and similar receipts		18,186,686	17,474,032
Interest and similar payments		(6,535,062)	(8,831,447)
Net fee and commission receipts		1,235,416	945,201
Net receipts/(payments) from trading activities (foreign currencies, gold and securities)		1,274,291	1,449,803
Other income/(expenses)		175,647	100,700
Recoveries from bad debts previously written-off		1,003,397	263,719
Payments for administrative, operating and salary expenses		(4,694,751)	(3,567,366)
Corporate income tax paid during the year	IV.10	(3,213,906)	(3,349,836)
Net cash flows from operating profit before changes in operating assets and liabilities		7,431,718	4,484,806
Changes in operating assets		(53,824,304)	15,524,171
(Increase)/decrease in placements with and loans to other credit institutions		1,821,992	(2,505,637)
(Increase)/decrease in trading securities		(35,198,440)	22,120,848
(Increase)/decrease in derivatives and other financial assets		-	141,294
(Increase)/decrease in loans to customers and debt purchase		(20,361,143)	(4,044,748)
Utilization of provision to write off loans to customers, securities, long-term investments and other receivables		(3,591,250)	(1,969,954)
(Increase)/decrease in other assets		3,504,537	1,782,368
Changes in operating liabilities		20,317,575	(45,895,777)
ncrease/(decrease) in dues to the Government and the State Bank		(2,661,864)	3,891,932
ncrease/(decrease) in deposits and borrowings from other credit institutions		(1,153,902)	(16,904,958)
ncrease/(decrease) in customter deposits		8,467,971	(8,706,515)
ncrease/(decrease) in valuable papers issued (except for valuable papers issued for financing activities)		15,434,518	(25,030,233)
ncrease/(decrease) in other borrowed and entrusted funds		209,619	656,208
ncrease/(decrease) in derivatives and other financial liabilities		334,598	381,529
ncrease/(decrease) in other liabilities		(166,948)	(139,406)
Payments from reserves		(146,417)	(44,334)
Net cash flows used in operating activities		(26,075,011)	(25,886,800)
CASH FLOWS FROM INVESTMENT ACTIVITIES			
Purchase of fixed assets, investment properties		(105,862)	(567,487)
Proceeds from disposal of fixed assets		166	29
Proceeds from/(payment for) investments in other entities (disposal of/(payments for investments in) subsidiaries, ventures and other long-term investments)		(71,299)	24,082
Dividends and profits received from long-term investments and capital contribution		40	1,528
Net cash flows used in investing activities		(176,955)	(541,848)

Military Commercial Joint Stock Bank

B04a/TCTD-HN

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

CONSOLIDATE STATEMENT OF CASH FLOWS (Continued)

As at 31 March 2025

	Notes	From 01/01/2025 to 31/03/2025	From 01/01/2023 to 31/03/2024
		VND million	VND million
CASH FLOWS FROM FINANCING ACTIVITIES			
Increase in share capital from capital contribution and/or share issuance		-	-
Proceeds from issuance of long-term valuable papers are eligible to be included in equity capital and other long-term loans		2,198,563	1,050,000
Dividends paid during the period		-	-
Net cash flows from financing activities		2,198,563	1,050,000
Net cash flows for the period		(24,053,403)	(25,378,648)
Cash and cash equivalents at the beginning of the year		97,040,275	109,095,118
Cash and cash equivalents at the end of the period	IV.12	72,986,872	83,716,470

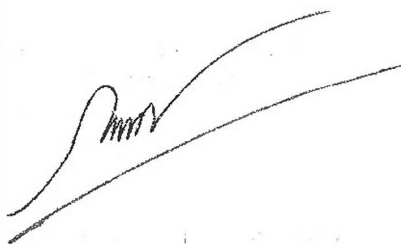
Prepared by:

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 April 2025

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

QUARTER I/2025

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
Mr. Vu Thanh Trung	Vice Chairman
Mr. Pham Nhu Anh	Member
Mr. Le Viet Hai	Member
Ms. Vu Thai Huyen	Member
Mr. Pham Doan Cuong	Member
Ms. Hoang Thi Thu Hien	Member
Mr. Vu Xuan Nam	Member
Mr. Hoang Van Sam	Independent Member

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
Mr. Do Van Tien	Member

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
Ms. Tran Thi Bao Que	Member
Mr. Vu Hong Phu	Member
Ms. Nguyen Thi Ngoc	Member
Ms. Nguyen Thi Thuy	Member
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), 210 transaction offices and 1 representative office in Russia.

As at 31 March 2025, the Bank has subsidiaries were consolidated as follows:

<i>Subsidiaries</i>	<i>Operating licence No.</i>	<i>Nature of business</i>	<i>Ownership</i>
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%
MB Securities Joint Stock Company ("MBS")	116/GP-UBCK by the State Securities Commission of Vietnam dated 9 December 2013	Securities	76.35%
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%
MB Shinsei Consumer Credit Finance Limited Liability Company ("MCredit")	27/GP-NHNN issued by the State Bank of Vietnam dated 4 February 2016	Consumer finance	50.00%
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%
Military Insurance Corporation ("MIC")	43/GP/KDBH issued by the Ministry of Finance dated 8 October 2007	Non-life insurance	68.65%
MB Bank Cambodia PLC. ("MBCambodia")	MOC-00021616 issued by Ministry of Commercial of Cambodia (MOC) dated 2 January 2023	Commercial Bank	100.00%
Modern Bank of Vietnam Limited ("MBV") (*)	Decision 0048/QĐ – NH dated 30 December 1993 issued by the Governor of the State Bank of Vietnam (the SBV).	Commercial Bank	100.00%

On 17 October 2024, the SBV announced the decision for the mandatory transfer of Ocean Commercial One Member Limited Liability Bank to the Bank under the mandatory transfer plan approved by the SBV on 17 October 2024. After the mandatory transfer, Ocean Commercial One Member Limited Liability Bank will continue to operate as a single-member limited liability bank with 100% charter capital owned by the Bank. Ocean Commercial One Member Limited Liability Bank was renamed Modern Bank of Vietnam Limited ("MBV") in accordance with Decision No. 741/QĐ-TTGSNH1 dated 5 December 2024 of the Banking Supervision and Inspection Agency under the State Bank of Vietnam. As at 31 March 2025, the Bank has not made any capital contribution to MBV.

In addition, according to Point c, Clause 1, Article 185 of the Law on Credit Institutions No. 32/2024/QH15 dated January 18, 2024, the Bank is not required to consolidate the financial statements of the commercial bank to which is compulsorily transferred. Accordingly, the Bank's consolidated financial statements for the year ended 31 March 2025 include the Bank and its subsidiaries but do not include MBV (now referring as "MB")

7. Employees

As at 31 March 2025, MB has **18,658** employees

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 consolidated 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 consolidated financial statements

Consolidate financial statements of MB are presented in Vietnamese Dong ("dong" or "VND"), all amounts are rounded to the nearest million and presented in million Vietnamese Dong. The consolidated financial statements are 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 Consolidate 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 Consolidate financial position and Consolidate results of operations and Consolidate cash flows in accordance with accounting principles and practices generally accepted in countries other than Vietnam

Items that are not presented in these Consolidate 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. Basis of consolidation

The consolidated financial statements comprise the financial statements of the Bank and its subsidiaries were consolidated for the period ended 31 March 2025.

Subsidiaries are fully consolidated from the acquisition date, on which the Bank obtains control and continue to be consolidated until the Bank terminates the control in compliance with applicable consolidation regulation.

The financial statements of the Bank and its subsidiaries are prepared for the same reporting period, using consistent accounting policies.

All intra-company balances, income and expenses and unrealized gains or losses resulting from intra-company transactions are eliminated in full.

Non-controlling interest represents the portion of net results of operations and net assets not owned by MB and are presented separately in the consolidated statement of income and within equity in the consolidated statement of financial position.

4. Basis for assessment and applied accounting estimates

The preparation of the Consolidate 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.

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 31/2024 and Degree 86/2024. Accordingly, Bank 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, Bank 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 31/2024 and Degree 86/2024 as described in Note 9.

9. Provision for credit risk

Loan classification

MB classifies debts into the following groups: Current loan, Special mention loan, Sub-standard loan, Doubtful loan and Loss which are specified in Circular 31/2024. 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 31/2024.

- ▶ If a customer has more than one debt with MB 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.
- ▶ MB 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, MB 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.
- ▶ MB 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 and 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 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. 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.
- ▶ MB 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 1 July 2024), the specific provision of 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	<ul style="list-style-type: none"> (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 31/2024. 	0%
2	Special Mention	<ul style="list-style-type: none"> (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	<ul style="list-style-type: none"> (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 MB 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	<ul style="list-style-type: none"> (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 have been issued; or (e) Debts are required to be recovered under regulatory inspection conclusions but still outstanding with an overdue period of more than 	50%

Group		Loan classification using the quantitative method	Provision rate
		60 days since the recovery date as required by regulatory inspection 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 MB or non-bank credit institution have not been recovered from 30 to 60 days from the date of the recovery decision; or (g) Debts are classified into group 4 as provided in Clause 2, Clause 3, Article 10 of Circular 31; or (h) Debts are classified into group 4 as provided in Clause 4, Article 8 of Circular 31.	
5	Loss	(a) Debts are overdue for a period of more than 360 days; or (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 (c) Debts which the repayment terms are restructured for the second time but still overdue under that second restructured repayment term; or (d) Debts which the repayment terms are restructured for the third time or more, regardless of being overdue or not; or (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 (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 (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 MB or non-bank credit institution have not been recovered for more than 60 days from the date of the recovery decision; or (h) Debts of credit institution that is under special control, a foreign bank branch whose capital and assets are being frozen; or (i) Debts are classified into group 5 as provided in Clause 3, Article 10 of Circular 31. (j) Debts are classified into group 5 as provided in Clause 4, Article 8 of Circular 31.	100%

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

MB makes specific provision for customers whose debts are rescheduled, exempt or reduce interest rate in accordance with Circular 02/2023 and 06/20224 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 31/12/2023: At least 50% of the additional specific provision;
 - By 31/12/2024: 100% of the additional specific provision.

In addition, MB makes specific provisions for customers whose debts are rescheduled in accordance with Circular 53/2024 as follows:

- By 31/12/2024: At least 35% of the additional specific provision;
- By 31/12/2025: At least 70% of the additional specific provision
- By 31/12/2026: 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 March 2025 is calculated based on the results of debt classification and principal balance as at 31 March 2025.

Bad debts written off

Provisions are recognized as an expense on the Consolidate statement of income and used to write-off bad debts. According to Degree 86, MB 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.

Debts written-off against allowance are recorded as in appropriate off-balance sheet account for monitoring and collection purpose. The amount recovered from the debts previously written-off are recognised in the consolidated statement of income upon receipt.

10. Debt purchase, sale

Debt purchase and sale of MB 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 Consolidate 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, MB 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 MB purchased the debt is collected, MB 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 MB 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 MB 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 MB.
- ▶ 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 MB.

- 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 devaluation is recorded in the Consolidated 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 MB 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 MB 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 Consolidate 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 separated account.

In subsequent periods, these securities are continuously recorded at par value, and the discount/premium (if any) is amortized to the Consolidate 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" of the Consolidate 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 investment securities are debt securities purchased by MB for the investment purpose of earning interest and MB has the capability and intention to hold these investments until maturity. Held-to-maturity investment securities have determined value and maturity dates. In case the securities are sold before the maturity date, the remaining portfolio of these securities will be reclassified to appropriate account before the time of sale.

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

13. Other long-term investments

Other long-term investments are investments in other entities in which MB 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 period.

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 Consolidate statement of income.

14. 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 Consolidate statement of income.

When assets are sold or liquidated, their cost and accumulated depreciation/amortisation are deducted from the Consolidate 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 Consolidate statement of income.

15. 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	6-50 years
Machines and equipment	3-8 years
Transportation vehicles	6-10 years
Other tangible fixed assets	3-8 years
Land use rights (*)	30-50 years
Computer software	3-8 years
Other intangible assets	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 their terms.

16. Investment properties

Investment properties for rental

Investment properties for rental are stated at cost less accumulated depreciation. The initial cost of investment properties for rental includes purchase price, cost of land use rights, and directly attributable costs to bring the asset to the necessary condition for proper functioning. Expenses incurred after investment properties for rental have been put into operation such as repairs and maintenance, are recognized in the consolidated statement of income in the period in which they are incurred. In cases where it can be clearly demonstrated that these expenses increase the expected future economic benefits from the investment property in excess of its standard performance according to initial assessment. Initially, these costs are capitalized as an incremental cost of investment properties for rental.

Depreciation is calculated on a straight-line basis over the estimated useful lives of the investment property. The estimated useful life of land use rights and assets on land is 39 years and assets attached to land is 20 years.

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 MB in accordance with the method described in Note 9.

17.2 Other receivables

Other receivables not classified as credit risk-bearing assets of MB 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 Statement of income.

Provision for overdue debts is made as follows:

<i>Overdue status</i>	<i>Allowance rate</i>
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 Consolidate 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. Business combinations and goodwill

Business combinations are accounted for using the purchase method. The cost of a business combination is measured as the fair value of assets given, equity instruments issued and liabilities incurred or assumed at the date of business combination plus any cost directly attributable to the business combination. Identifiable assets and liabilities and contingent liabilities assumed in a business combination of the acquiree are measured initially at fair value at the date of business combination.

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 consolidated 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 Consolidate financial statements. The corresponding cash received from these agreements is recognized in the Consolidate statement of financial position as a borrowing and the difference between the sale price and repurchase price is amortized in the Consolidate 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 Consolidate financial statements. The corresponding cash paid under these agreements is recognized as a loan in the Consolidate statement of financial position and the difference between the purchase price and resale price is amortized in the Consolidate 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

The determination of whether an arrangement is, or contains a lease is based on the substance of the arrangement at the inception date and requires an assessment of whether the fulfilment of the arrangement depends on the use of a specific asset and the arrangement conveys a right to use the asset.

A lease is classified as a finance lease whenever the terms of the lease transfer substantially all the risks and rewards of ownership of the asset to the lessee. All other leases are classified as operating leases.

Where MB is the lessee

Rentals under operating leases are charged to the consolidated statement of income on a straight-line basis over the lease term.

Where MB is the lessor

Assets subject to operating leases are included as MB's fixed assets in the consolidated statement of financial position. Initial direct costs incurred in negotiating an operating lease are recognized in the consolidated statement of income as incurred.

Lease income is recognized in the consolidated statement of income on a straight-line basis over the lease term.

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. MB then allocates these expenses into "*Interest and similar expenses*" on a straight-line basis according to the terms of value papers.

24. 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 MB.

25. Foreign currency transactions

Foreign transactions

According to the accounting system of MB, 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 Consolidate 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 Consolidate statement of income.

Overseas activities

At the reporting date, the assets and liabilities of the overseas subsidiary in other reporting currencies are translated into VND at the exchange rates prevailing at the balance sheet date for consolidation. Revenue and expenses of overseas subsidiaries are converted into VND at the average exchange rate of the accounting period.

Foreign exchange differences arising from the conversion to consolidate foreign subsidiaries mentioned above are recorded in the item "Foreign exchange differences" under equity on the consolidated financial statements.

26. Covered warrants

Covered warrants are securities with collateral issued by MB Securities Joint Stock Company, a member of MB, allowing the holder the right to purchase the underlying securities from the warrant issuer at a predetermined price, at or before a specified time, or receive the difference between the strike price and the underlying security's price at the time of exercise.

Covered warrants are initially recognized at cost and continue to be recognized after initial recognition at fair value under the item "Other payables and liabilities".

Differences due to revaluation of covered warrants at fair value compared with the previous period are recognized in the consolidated statement of income under the item "Net gain/(loss) from securities held for trading".

The costs of buying and issuing warrants are recognized in the consolidated statement of income as soon as they are incurred.

27. Technical reserves of insurance subsidiaries

The methodologies to compute reserves are based on Circular No. 50/2017/TT-BTC dated 15 May 2017 issued by the Ministry of Finance on financial regime applicable to insurers, reinsurers, insurance brokers and foreign non-life insurance branches ("Circular 50") and Circular No. 67/2023/TT-BTC dated 2 November 2023 issued by the Ministry of Finance providing implementation guidance for certain articles of Law on Insurance Business ("Circular 67"), Decree No. 46/2023/ND-CP dated 1 July 2023 issued by the Government of Vietnam on the promulgation of implementation guidance for certain articles of Law on Insurance Business ("Decree 46"). Details of the methodologies are presented as follows:

27.1 Unearned premium reserves

Regarding insurance and re-insurance policies with a term of less than or equal to one (1) year, unearned premium reserve is calculated as a percentage of total premium as follows:

- ▶ For cargo insurance, unearned premium reserve is made at 25% of the retained premium during the financial year.
- ▶ For other general insurance lines, unearned premium reserve is made at 50% of the retained premium during the financial year.
- ▶ For life insurance, the unearned premium reserve is calculated on the gross premium for all insurance policies with a term of one (1) year or less at the reporting date.

Regarding insurance and re-insurance with a term more than one (1) year, unearned premium reserve is calculated as follows:

- For general insurance line, unearned premium reserve is made by the formula as follows:

$$\text{Unearned premium reserve} = \frac{\text{Premium} * \text{Number of remained insurance days under insurance, re-insurance contract}}{\text{Total number of insurance days under insurance, re-insurance contract}}$$

27.2 Mathematical reserve

Mathematical reserve for life insurance is the difference between the present value of total insurance payables in the future and the present value of the net insurance premiums with Zillmer adjustment for insurance premiums receivables in the future. Mathematical reserve is calculated for insurance policies that have valid period of more than one (1) year with specific actuarial formulae and factors for each type of products as registered and approved by the Ministry of Finance. The maximum valuation interest rate is linked to the average interest rate of government bonds as per formula specified in the Circular 67/2023.

27.3 Claims reserve

Claims reserve includes reserve for claims outstanding at the end of the period but not yet resolved and for claims incurred but not reported.

- Outstanding claim reserve is established based on the estimated claim payments for each claim for which the insurer is liable, which is either notified to the insurer or requested for payment but is still unresolved at the end of the fiscal year;
- Reserve for incurred but not reported claims for which the insurer is liable (IBNR) is established according to regulations in Circular 50 and Circular 67.

Provisions for claims of original and reinsurance business are recorded as a liability; Provisions for claims for reinsurance are recorded in "Other liabilities".

27.4 Catastrophe reserve

Catastrophe reserve is made annually until it reaches 100% of the retained premiums of the accounting period and based on the rate of retained premiums according to Circular 67/2023.

On 28 December 2005, the Ministry of Finance issued Decision No. 100/2005/QĐ-BTC governing the publication of four new accounting standards, including Vietnamese Accounting Standard ("VAS") 19 – Insurance Contract. Accordingly, from January 2006, the provision of catastrophe reserve is no longer required since it represents "possible claims under contracts that do not exist at the reporting date". However, since the Ministry of Finance has not issued detailed guidance for the implementation of VAS 19 and according to Decree No. 73/2016/ND-CP issued by the Government of Vietnam dated 1 July 2016 on details of the implementation of the Law on Insurance Business and amendments to certain articles of the Law on Insurance Business ("Decree 73") and Decree No. 46/2023/ND-CP issued by the Government of Vietnam on the promulgation of implementation guidance for certain articles of Law on Insurance Business ("Circular 46"); MB continues to make catastrophe reserve on the consolidated financial statements.

27.5 Equalization reserve

The reserve is set aside one percent (1%) of its profit before tax annually for reserve until this reserve reaches five percent (5%) of collected premiums in the fiscal year of life insurance contracts.

28. Capital and reserves

28.1 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.

28.2 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.

28.3 Reserves

MB makes appropriation to reserves in accordance with current regulations and Resolution of the General Meeting of Shareholders or corresponding owners.

(i) Vietnamese bank's reserves

Reserves are for specific purposes and appropriated 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.

(ii) Subsidiaries' reserves

Military Bank Asset Management Company Limited ("MB AMC")

MB AMC made appropriations to bonus and welfare fund according to decision of the owners.

MB Securities Joint Stock Company ("MBS") and MB Capital Management Joint Stock Company ("MB Capital")

Funds of MBS and MB Capital are set aside according to the Resolution of the General Meeting of Shareholders.

MB Shinsei Consumer Credit Finance Company Limited ("MCredit")

According to Decree No. 93/2017/ND-CP, MCredit is required to make statutory reserves before distribution of profits similar to the Bank.

Military Insurance Corporation ("MIC") and MB Ageas Life Insurance Company Limited ("MB Ageas")

MIC and MB Ageas make appropriations to statutory reserves from profit after tax at the rate of 5% and these are continuously accumulated until reaching 10% of their charter capital.

29. Interest income and expenses

Income and expenses from banking operations

Interest income and expenses are recognized in the Consolidate 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 Degree 55 and Circular 53/2024 will not be recognized in the Consolidate statement of income. Suspended interest income is reversed and monitored off-balance sheet and recognized in the Consolidate statement of income upon actual receipt.

Banking services fees are recognized when the services are performed.

For other income, 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.

According to the Law on Credit Institutions No. 32/2024/QH15 dated 18 January 2024 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, MB would recognize to income on the Consolidate statement of income

Income from securities trading business

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

Cash dividend is recognized in the consolidated statement of income when the right to receive cash dividends of MB is established. Dividend received in the form of common shares, bonus shares and stock options for current shareholders, shares distributed from undistributed profits are not recognized as an income of MB but only update the quantity of stock.

Income from insurance business

Gross written premiums are recognized in accordance with Circular No. 50/2017/TT-BTC and Circular 67/2023/TT-BTC.

Income from real estate business

Income is recognized to the extent that it is probable that the economic benefits will flow to MB. Income is measured at the fair value of the consideration received or receivable, excluding trade discount, rebate and sales returned.

Income is recognized when MB has passed significant risks and rewards associated with the real estates to the buyers and income can be reliably measured.

Claim expenses for insurance activities

Claim expenses of gross premium is recognized on the basis of incurrence when insurance companies accept claims.

Claim expenses for reinsurance premiums assumed is recognized upon incurrence in accordance with the statement of the reinsurer which was sent to insurance companies and accepted by insurance companies.

Claim receivables for reinsurance premiums ceded are recognized upon actual incurrence in accordance with the receivable amount corresponding to claim expense recognized during the period and the rate of reinsurance ceded.

Other expenses for insurance activities are recognized when incurred.

Commission expenses for insurance business

Commission is calculated at certain percentage of direct premiums for specific line of insurance as stipulated in Circular 50 and Circular 67. Commission expenses are allocated and recognized in the consolidated statement of income for direct premiums earned during the period. The commission which is not allocated would be recognized as prepaid expense and being allocated in subsequent periods.

Loan origination costs from loans to customers in the finance company

Loan origination costs including commissions to agencies, third parties, and sale personnel are amortized into the consolidated statement of income using the straight-line method over the average duration of the loan types ranging from 10 - 31 months.

30. 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 Consolidate 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 MB to offset current tax assets against current tax liabilities and when MB 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 accounting period.

31. Derivatives

MB 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 MB.

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 Consolidate statement of financial position. Differences upon revaluation at the end of the period are recognised in the "Foreign exchange differences" account in the Consolidate statement of financial position each month and are transferred to the Consolidate 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 Consolidate 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 Consolidate statement of financial position. This difference is amortised to the Consolidate 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.

32. Earnings per share

MB presents basic earnings per share for ordinary shares. Basic earnings per share amounts are calculated by dividing net profit or loss after tax for the year attributable to ordinary shareholders of MB (after adjusting for the bonus and welfare fund) by the weighted average number of ordinary shares outstanding during the period.

If the shares issued during the period only change the number of shares without changing the total equity, MB will adjust the weighted average number of ordinary shares currently circulated to the previous period presented on the consolidated financial statements, resulting in a corresponding adjustment of the opening balance of the basic earnings per shares.

33. Employees benefits

a. Post-employment benefits

Post-employment benefits are paid to retired employees of MB in Vietnam by the Social Insurance Agency of the Ministry of Labor, Invalids and Social Affairs. MB 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% of the employee's basic monthly salary. Other than that, MB has no further obligation. Social insurance and occupational accident and disease insurance are recognized in the consolidated statement of income when incurred.

b. Voluntary resignation benefits

The Bank has the obligation, under Article 46 of the Vietnam Labor 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 consolidated statement of income when payments are made.

c. Unemployment insurance

According to Circular No. 28/2015/TT-BLDTBXH 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 consolidated statement of income when incurred.

34. Segment report

A division is a Consolidately identifiable component of MB 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. MB's primary template for segment reporting is based on business segments.

35. Related parties

Parties are considered to be related parties of MB 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 MB 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.

36. Offsetting/Net-off

Financial assets and financial liabilities are offsets and the net amount is reported in the Consolidate 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

	31/03/2025 VND million	31/12/2024 VND million
Cash in VND	3,708,863	2,985,508
Cash in foreign currencies	509,162	358,551
Gold	5,958	5,107
	4,223,983	3,349,166

2. Balances with the State banks

	31/03/2025 VND million	31/12/2024 VND million
Balances with the State Bank of Vietnam	13,451,621	27,776,974
- In VND	12,080,684	27,209,475
- In foreign currencies	1,370,937	567,499
Balances with MB of the Lao P.D.R	508,317	568,032
Balances with National Bank of Cambodia	1,562,046	1,480,247
	15,521,984	29,825,253

3. Placements with and loans to other credit institutions

	31/03/2025 VND million	31/12/2024 VND million
Placements with other credit institutions	53,258,553	63,887,837
<i>Included:</i>		
Demand Accounts		
- In VND	7,228,307	6,102,802
- In foreign currencies	5,711,171	5,157,207
Term deposits		
- In VND	37,081,841	50,971,254
- In foreign currencies	3,237,234	1,656,574
Loans to other credit institutions	11,085,993	12,903,651
In VND	10,449,683	12,523,482
In foreign currencies	636,310	380,169
Provision	(5,992)	(5,866)
	64,338,554	76,785,622

4. Securities held for trading

Investments into securities held for trading include:

	31/03/2025 VND million	31/12/2024 VND million
Debt securities		
Listed	900,884	999,786
Unlisted	10,910,870	6,719,896
Equity securities		
Listed	671,132	212,027
Unlisted	26,334	125
	12,509,220	7,931,834
Provision for securities held for trading	(27,979)	(179)
	12,481,241	7,931,655

5. Loans to customers

	31/03/2025 VND million	31/12/2024 VND million
Outstanding loans to customers		
Loans to domestic economic entities and individuals	776,725,297	756,463,013
Discounted commercial bills and valuable papers	1,432,466	2,500,151
Payments on behalf of customers	67,191	62,439
Loans financed by entrusted funds	33,965	44,166
Loans to overseas organizations and individuals	7,835,990	7,294,348
	786,094,909	766,364,117
Securities margin loan and advances to MBS customers	11,441,806	10,293,729
	797,536,715	776,657,846

- Analysis of loan portfolio by quality:

	31/03/2025 VND million	31/12/2024 VND million
Outstanding loans to customers		
Current loans	767,616,878	751,875,632
+ Of which, Loans at MBS	11,441,806	10,293,729
Special mentioned	15,237,621	12,196,782
Sub-standard	4,552,314	3,379,646
Doubtful	4,942,438	4,599,274
Loss	5,187,464	4,606,512
	797,536,715	776,657,846

- Analysis of loan portfolio by maturity:

	31/03/2025 VND million	31/12/2024 VND million
Outstanding loans to customers		
Short term	437,159,424	413,956,564
Medium term	90,684,358	88,454,207
Long term	258,251,127	263,953,346
	786,094,909	766,364,117
Securities margin loan and advances to MBS customers	11,441,806	10,293,729
	797,536,715	776,657,846

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

	31/03/2025 VND million	%	31/12/2024 VND million	%
Outstanding loans to customers				
Loans to economic entities	434,609,559	54.50	425,746,734	54.81
State-owned enterprises	29,412,253	3.69	30,754,076	3.96
One-member limited liability companies with 100% State-owned capital	9,502,041	1.19	10,458,752	1.35
One-member limited liability companies with over 50% State-owned capital	1,962,183	0.25	2,731,618	0.35
Other limited liability companies	130,161,162	16.32	130,491,477	16.80
Joint Stock Companies over 50% State-owned Capital (the State holds dominating shares)	3,496,643	0.44	3,480,485	0.45
Other joint stock companies	235,131,918	29.48	228,839,706	29.46
Foreign invested enterprises	24,775,558	3.11	18,816,306	2.42
Cooperatives and cooperative unions	167,801	0.02	174,314	0.02
Loans to individuals	341,418,942	42.81	331,346,264	42.66
Household business, individuals	341,418,942	42.81	331,346,264	42.66
Other loans	2,230,419	0.28	1,976,771	0.25
Administrative units, Union and Association	168,920	0.02	170,815	0.02
Others	2,061,499	0.26	1,805,956	0.23
Loans at overseas branches and subsidiary bank	7,835,989	0.98	7,294,348	0.95
Loans to enterprises	1,914,477	0.24	1,705,162	0.23
Loans to individuals	5,921,512	0.74	5,589,186	0.72
	786,094,909	98.57	766,364,117	98.67
Securities margin loan and advances to MBS customers	11,441,806	1.43	10,293,729	1.33
	797,536,715	100.00	776,657,846	100.00

- **Analysis of loan portfolio by sectors**

	31/03/2025		31/12/2024	
	VND million	%	VND million	%
Outstanding loans to customers of the Bank				
Agriculture, forestry and aquaculture	8,556,392	1.07	8,724,854	1.12
Mining	3,587,388	0.45	3,975,824	0.51
Production and processing	130,368,228	16.35	124,040,940	15.97
Electricity, petroleum and steam	40,883,952	5.13	46,125,259	5.94
Water supply and waste treatment	1,230,157	0.15	1,267,073	0.16
Construction	32,517,167	4.08	31,917,958	4.11
Wholesale and retail trade, repair of motor vehicles, motorcycles	233,977,280	29.34	222,846,289	28.69
Transportation, logistics	22,254,768	2.79	25,762,468	3.32
Hospitality services	16,376,413	2.05	16,057,822	2.07
Information and communication	6,754,956	0.85	7,100,447	0.91
Finance, Banking and insurance services	10,506,757	1.32	7,697,847	0.99
Real estates	71,968,059	9.02	64,141,215	8.26
Expertise, science and technology	861,773	0.11	668,318	0.09
Administrative and supportive services	2,030,118	0.25	1,905,606	0.25
Education and training	1,930,872	0.24	1,791,148	0.23
Healthcare and community development	5,691,448	0.71	5,535,906	0.71
Art and entertainment	2,263,243	0.28	2,395,960	0.31
Other services	621,561	0.08	533,019	0.07
Household services	185,878,388	23.32	186,581,816	24.01
Loans at overseas branches and subsidiary bank	7,835,989	0.98	7,294,348	0.95
	786,094,909	98.57	766,364,117	98.67
Securities margin loan and advances to MBS customers	11,441,806	1.43	10,293,729	1.33
	797,536,715	100.00	776,657,846	100.00

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

(i) Movements in the provision for credit losses during the period then ended 31 March 2025 include the following items:

VND million

	In Vietnam			In foreign branches			Total		
	Specific Allowance	General Allowance	Total	Specific Allowance	General Allowance	Total	Specific Allowance	General Allowance	Total
Balance at the beginning	5,806,661	5,728,104	11,534,765	7,627	67,469	75,096	5,814,288	5,795,573	11,609,861
Provision made/ reversed during the period	2,805,587	155,970	2,961,557	5,860	5,899	11,759	2,811,447	161,869	2,973,316
Utilized provisions	(3,533,969)	-	(3,533,969)	-	-	-	(3,533,969)	-	(3,533,969)
Exchange rate differences	-	-	-	74	454	528	74	454	528
Balance at the reporting period	5,078,279	5,884,074	10,962,353	13,561	73,822	87,383	5,091,840	5,957,896	11,049,736

(ii) Movements in the provision for credit losses during the financial year 2024 include the following items:

VND million

	In Vietnam			In foreign branches			Total		
	Specific Allowance	General Allowance	Total	Specific Allowance	General Allowance	Total	Specific Allowance	General Allowance	Total
Balance at the beginning	6,906,545	4,522,327	11,428,872	11,272	29,419	40,691	6,917,817	4,551,746	11,469,563
Provision made/ reversed during the period	8,287,689	1,205,777	9,493,466	5,202	36,100	41,302	8,292,891	1,241,877	9,534,768
Utilized provisions	6,906,545	4,522,327	11,428,872	11,272	29,419	40,691	6,917,817	4,551,746	11,469,563
Exchange rate differences	-	-	-	495	1,950	2,445	495	1,950	2,445
Balance at the reporting period	5,806,661	5,728,104	11,534,765	7,627	67,469	75,096	5,814,288	5,795,573	11,609,861

7. Debt purchase

	31/03/2025 VND million	31/12/2024 VND million
Debt purchase by VND	523,636	1,041,362
Provision	(57,254)	(89,853)
	466,382	951,509

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

	31/03/2025 VND million	31/12/2024 VND million
Purchased principal debt	523,636	1,041,069
Interest of purchased debt	-	293
	523,636	1,041,362

8. Investment securities

8.1 Available-for-sale investment securities

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

		31/03/2025 VND million	31/12/2024 VND million
Available-for-sale investment securities			
Debt securities issued by the Government	(i)	43,760,830	46,403,490
Debt securities guaranteed by the Government	(i)	23,865,583	24,052,995
Debt securities issued by other credit institutions	(ii)	139,812,771	103,565,847
Debt securities issued by domestic economic entities	(iii)	29,332,704	31,485,624
		236,771,888	205,507,956
Provision for available-for-sale investment securities		(268,019)	(242,638)
		236,503,869	205,265,318

- (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 4.10% to 7.58%/year,
- (iii) Debt securities issued by domestic economic entities include bonds with 3-year to 16-year term at annual interest rates from 5.00% to 11.30%/year.

8.2 Held-to-maturity investment securities

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

	31/03/2025 VND million	31/12/2024 VND million
Held-to-maturity investment securities		
Government bonds	269,517	269,654
Debt securities issued by other credit institutions (i)	1,949,770	2,385,376
Debt securities issued by domestic economic entities (ii)	1,750,339	1,957,474
	3,969,626	4,612,504
Provision for held-to-maturity investment securities	(238,688)	(240,445)
	3,730,938	4,372,059

- (i) Debt securities issued by other domestic credit institutions have terms of 5 years with the interest rate of 9.00% p.a.
- (ii) Debt securities issued by domestic economic entities of the bank have terms ranging from 7 years to 10 years with interest rates ranging from 8.90% to 10.10% p.a.

9. Long-term investment

Details of long-term investments items are as follows:

	31/03/2025 VND million	31/12/2024 VND million
Other long-term investments	820,760	775,670
	820,760	775,670
Provision for long-term investments	(124,132)	(166,193)
	696,628	609,477

9.1 Other long-term investments

	31/03/2025 VND million	31/12/2024 VND million
Investments in economic entities, long-term projects	732,242	687,266
Investments in investment funds	88,518	88,404
	820,760	775,670

10. Tangible fixed assets

Movements in tangible fixed assets during the period ended 31/03/2025 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	2,602,069	3,972,594	1,496,507	943,502	9,014,672
Additions	218	124,725	29,438	8,615	162,996
Decreases	(3,525)	(13,534)	(1,067)	(386)	(18,512)
Other Increases/(Decreases) during the period	-	-	-	-	-
Exchange rate differences	203	1,197	63	32	1,495
Closing balance	2,598,965	4,084,982	1,524,941	951,763	9,160,651
Accumulated depreciation					
Opening balance	728,157	2,886,232	1,152,135	497,452	5,263,976
Additions	11,288	72,497	19,218	28,673	131,676
Decreases	(2,181)	(4,246)	(1,017)	(329)	(7,773)
Other Increases/(Decreases) during the period	-	-	-	-	-
Exchange rate differences	78	234	32	24	368
Closing balance	737,342	2,954,717	1,170,368	525,820	5,388,247
Net book value:					
Opening balance	1,873,912	1,086,362	344,372	446,050	3,750,696
Closing balance	1,861,623	1,130,265	354,573	425,943	3,772,404

Movements in tangible fixed assets during the financial year 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	2,585,504	3,281,185	1,305,572	560,347	7,732,608
Additions	16,222	793,162	258,812	409,694	1,477,890
Decreases	(700)	(102,869)	(68,250)	(26,761)	(198,580)
Other Increases/(Decreases) during the period	-	126	-	-	126
Exchange rate differences	1,043	990	373	222	2,628
Closing balance	2,602,069	3,972,594	1,496,507	943,502	9,014,672
Accumulated depreciation					
Opening balance	631,015	2,450,058	1,074,312	382,819	4,538,204
Additions	96,639	512,027	121,813	121,645	852,124
Decreases	-	(102,772)	(64,679)	(26,736)	(194,187)
Other Increases/(Decreases) during the period	-	26,296	20,162	19,580	66,038
Exchange rate differences	503	623	527	144	1,797
Closing balance	728,157	2,886,232	1,152,135	497,452	5,263,976
Net book value:					
Opening balance	1,954,489	831,127	231,260	177,528	3,194,404
Closing balance	1,873,912	1,086,362	344,372	446,050	3,750,696

11. Intangible fixed assets

Movements in intangible fixed assets during the period ended 31/03/2025 are as follows:

	Definite land use rights VND million	Computer software VND million	Other intangible assets VND million	Total VND million
Cost:				
Opening balance	1,153,177	3,798,646	24,846	4,976,669
Additions	-	29,356	490	29,846
Decreases	-	(476)	-	(476)
Others increases/(decreases) during the period	-	-	-	-
Exchange rate differences	-	221	-	221
Closing balance	1,153,177	3,827,747	25,336	5,006,260
Accumulated amortisation:				
Opening balance	259,380	3,020,166	17,403	3,296,949
Depreciation during the period	5,098	95,260	13	100,371
Decreases	-	(476)	-	(476)
Others increases/(decreases) during the period	-	-	-	-
Exchange rate differences	-	61	-	61
Closing balance	264,478	3,115,011	17,416	3,396,905
Net book value:				
Opening balance	893,797	778,480	7,443	1,679,720
Closing balance	888,699	712,736	7,920	1,609,355

The movements of intangible fixed assets during the financial year 2024 are as follows:

	<i>Definite land use rights VND million</i>	<i>Computer software VND million</i>	<i>Other intangible assets VND million</i>	<i>Total VND million</i>
Cost:				
Opening balance	1,153,177	3,020,072	22,895	4,196,144
Additions	-	793,347	1,951	795,298
Decreases	-	(10,737)	-	(10,737)
Others increases/(decreases) during the period	-	(4,332)	-	(4,332)
Exchange rate differences	-	296	-	296
Closing balance	1,153,177	3,798,646	24,846	4,976,669
Accumulated amortisation:				
Opening balance	238,703	2,282,318	15,341	2,536,362
Depreciation during the period	20,677	742,947	2,062	765,686
Decreases	-	(10,710)	-	(10,710)
Others increases/(decreases) during the period	-	5,329	-	5,329
Exchange rate differences	-	282	-	282
Closing balance	259,380	3,020,166	17,403	3,296,949
Net book value:				
Opening balance	914,474	737,754	7,554	1,659,782
Closing balance	893,797	778,480	7,443	1,679,720

12. Investment properties

Movements in investment properties during the period ended 31/03/2025 are as follows:

	<i>Buildings & construction VND million</i>	<i>Land use rights term VND million</i>	<i>Total VND million</i>
Cost			
Opening balance	51,835	208,580	260,415
Additions	-	-	-
Decreases	-	-	-
Closing balance	51,835	208,580	260,415
Accumulated depreciation:			
Opening balance	6,923	19,377	26,300
Additions	267	1,278	1,545
Others increases/(decreases) during the period	-	-	-
Closing balance	7,190	20,655	27,845
Net book value:			
Opening balance	44,912	189,203	234,115
Closing balance	44,645	187,925	232,570

Movements in investment properties during the year 2024 are as follows:

	<i>Buildings & construction VND million</i>	<i>Land use rights term VND million</i>	<i>Total VND million</i>
Cost			
Opening balance	51,835	208,580	260,415
Additions	-	-	-
Decreases	-	-	-
Closing balance	51,835	208,580	260,415
Accumulated depreciation:			
Opening balance	5,854	14,267	20,121
Additions	1,069	5,110	6,179
Others increases/(decreases) during the period	-	-	-
Closing balance	6,923	19,377	26,300
Net book value:			
Opening balance	45,981	194,313	240,294
Closing balance	44,912	189,203	234,115

13. Receivables

	31/03/2025 VND million	31/12/2024 VND million
Internal receivables	474,925	444,741
External receivables	10,442,719	13,915,887
	10,917,644	14,360,628

Details of external receivables as follows:

	31/03/2025 VND million	31/12/2024 VND million
- Construction in progress, purchase of fix assets	749,579	836,559
- Deposits, mortgages, pledges	667,005	626,507
- Trade finance receivables	177,637	1,412,951
- Receivables related to payment services	287,760	241,946
- Other receivables	8,560,738	10,797,924
	10,442,719	13,915,887

14. Other Assets

	31/03/2025 VND million	31/12/2024 VND million
Expenses awaiting for allocation	3,055,797	3,066,449
Goodwill	-	9,523
Other assets	2,670,015	2,797,777
	5,725,812	5,873,749

15. Due to the Government and the State Bank

	31/03/2025 VND million	31/12/2024 VND million
Due to the Government and the State Bank	5,494,421	8,156,285
	5,494,421	8,156,285

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

	31/03/2025 VND million	31/12/2024 VND million
Demand deposits from other CIs		
- In VND	4,123,545	4,643,038
- In foreign currencies	26,879	62,107
Term deposits from other CIs		
- In VND	60,054,516	65,290,000
- In foreign currencies	11,450,600	9,520,465
Borrowings from other CIs		
- In VND	23,938,590	21,220,438
- In foreign currencies	9,421,553	9,433,537
	109,015,683	110,169,585

17. Customers deposits

- Classification of customers deposits by deposit types:

	31/03/2025 VND million	31/12/2024 VND million
Demand deposits	251,624,213	271,579,760
- Demand deposits in VND	229,377,014	248,892,601
- Demand deposits in foreign currencies	22,247,199	22,687,159
Term deposits	463,221,572	433,476,766
- Term deposits in VND	455,515,776	424,703,281
- Term deposits in foreign currencies	7,705,796	8,773,485
Deposits for specific purposes	1,629,156	1,790,955
Margin deposits	6,147,509	7,306,998
- Margin deposits in VND	3,756,916	4,045,662
- Margin deposits in foreign currencies	2,390,593	3,261,336
	722,622,450	714,154,479

Classification of customers deposits by customer types:

	31/03/2025 VND million	31/12/2024 VND million
Economic entities	266,226,597	293,633,827
Individuals	456,395,853	420,520,652
	722,622,450	714,154,479

18. Derivatives and other financial assets/(liabilities)

Total book value (at exchange rates at the reporting date)			
	Assets VND million	Liabilities VND million	Net value VND million
As at 31 March 2025			
FX Derivatives	-	(526,143)	(526,143)
Forward currency contracts	-	(337,137)	(337,137)
Swap currency contracts	-	(189,006)	(189,006)
As at 31 December 2024			
FX Derivatives	173,425	(364,970)	(191,545)
Forward currency contracts	-	(364,970)	(364,970)
Swap currency contracts	173,425	-	173,425

19. Other borrowed and entrusted funds

	31/03/2025 VND million	31/12/2024 VND million
Entrusted funds received	3,003,072	2,793,453
	3,003,072	2,793,453

20. Valuable papers issued

	31/03/2025 VND million	31/12/2024 VND million
Bonds	39,669,491	37,471,472
- Less than 5 years	20,837,241	20,836,457
- Over 5 years	18,832,250	16,635,015
Certificates of deposits	106,927,623	91,492,561
- Less than 12 months	75,067,158	66,520,415
- Over 12 months	31,860,465	24,972,146
	146,597,114	128,964,033

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 3.94% per annum to 11.18% per annum.

21. Other Liabilities

	31/03/2025 VND million	31/12/2024 VND million
Internal payables	2,939,260	3,874,424
External payables	31,735,590	33,536,723
	34,674,850	37,411,147

22. Capital and reserves

22.1 Statement of changes in equity:

As at 31 March 2025, the number of issued shares of MB is **6,102,272,659** with the face value of each share is 10,000 VND. Therefore, the charter capital of MB is 61,022,727 VND million.

Unit: VND million

Items	Opening balance	Provision/ Increase	Utilization/ Adjust	Ending balance
Charter capital	53,063,241	7,959,486	-	61,022,727
Share premium	1,304,334	-	-	1,304,334
Other capital	1,928,258	-	-	1,928,258
Capital supplementary reserve	4,735,002	3,936	-	4,738,938
Financial reserve	9,294,156	-	-	9,294,156
Other reserves	967,689	1,683	(146,309)	823,063
Foreign exchange differences	137,797	11,114	-	148,911
Retained profits	40,718,224	6,567,740	(7,963,062)	39,322,902
Non-controlling interests	4,910,880	183,489	(1,110)	5,093,259
Total	117,059,581	14,727,448	(8,110,481)	123,676,548

22.2 Basic earnings per share

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Net profit after tax attributable to ordinary shareholders	6,567,740	4,532,698
Weighted average number of ordinary shares (shares)	6,102,272,659	6,010,032,659
Basic earnings per share (VND/share)	1,076	754

22.3 Shares:

	31/03/2025	31/12/2024
Number of registered shares		
Number of shares issued	6,102,272,659	5,306,324,052
- Ordinary shares	6,102,272,659	5,306,324,052
Number of shares acquired	-	-
- Ordinary shares	-	-
- Preferred shares	-	-
Number of shares circulated	6,102,272,659	5,306,324,052
- Ordinary shares	6,102,272,659	5,306,324,052
- Preferred shares	-	-

IV- Additional information for items in Statement of income

1. Net interest and similar income

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Interest and similar income		
Interest income from deposits	557,466	458,077
Interest income from loans	15,470,712	12,823,048
Interest income from debt securities	2,838,723	2,324,119
Income from guarantee activities	432,961	326,457
Interest income from debt purchase and sale	49,273	39,609
Other income from credit activities	241,177	288,957
	19,590,312	16,260,267
Interest and similar expense		
Interest expenses for deposits	(5,509,757)	(4,381,526)
Interest expenses for borrowings	(453,089)	(428,177)
Interest expenses for valuable papers issued	(1,858,864)	(1,861,577)
Other expenses from credit activities	(76,418)	(526,694)
	(7,898,128)	(7,197,974)
Net interest and similar income	11,692,184	9,062,293

2. Net fee and commission income:

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Fee and commission income		
Income from settlement and treasury services	755,554	711,211
Income from advisory services	98,268	7,867
Income from insurance services	2,099,930	1,901,559
Income from trust and agency services	10,871	19,466
Income from debts handling, valuation and asset management	126,730	147,954
Income from securities brokerage services	133,456	184,596
Income from other services	387,152	294,747
	3,611,961	3,267,400
Fee and commission expenses		
Expenses for settlement and treasury services	(551,556)	(417,942)
Expenses for trustee and agency services	(4,940)	(4,351)
Expenses for advisory services	-	(8,651)
Expenses for commission for brokerage services	(232,408)	(216,525)
Expenses for insurance services	(1,472,368)	(1,493,203)
Expenses for debts handling, valuation and asset management	(59,707)	(119,610)
Expenses for securities brokerage services	(32,105)	(40,070)
Expenses for other services	(23,461)	(21,847)
	(2,376,545)	(2,322,199)
Net fee and commission income	1,235,416	945,201

3. Net gain from trading of foreign currencies

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Income from trading of foreign currencies		
Income from spot foreign currencies and gold trading	983,504	1,034,036
Income from currency derivatives	286,509	994,742
	1,270,013	2,028,778
Expenses for trading of foreign currencies		
Expenses for spot foreign currencies and gold trading	(221,138)	(201,307)
Expenses for currency derivatives	(511,075)	(1,365,988)
	(732,213)	(1,567,295)
Net gain from trading of foreign currencies	537,800	461,483

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

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Net gain from securities held for trading		
Income from securities held for trading	202,509	1,066,841
Expenses for securities held for trading	(27,191)	(101,873)
Provision (made)/reserved for securities held for trading	(6,600)	(181)
	147,518	964,787
Net gain from investment securities and long-term investments		
Income from trading investment securities	542,544	282,130
Expenses for trading investment securities	(30,452)	(24,824)
Provision (made)/reserved for investment securities	(23,624)	(40,348)
Provision (made)/reserved for long-term investments	20,861	-
	530,529	216,958
Net gain from securities held for trading, investment securities and long-term investments	678,047	1,181,745

5. Net gain from other activities

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Recovery from bad debts previously written-off	1,003,397	263,719
Income from/(expenses for) other derivatives	62,557	33,937
Other income/(expenses)	113,256	66,792
	1,179,210	364,448

6. Income from capital contribution, share acquisition

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Dividend	-	425
Other income from capital contribution, share acquisition	40	1,103
	40	1,528

7. Operating expenses

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Expenses on taxes, fees	37,958	30,132
Personnel expenses	2,522,157	2,077,862
Expenses on assets	610,685	703,927
In which:		
- Depreciation of fixed assets	233,592	368,111
Administrative expenses	623,910	581,123
Insurance fees for customer deposits	155,248	121,248
	3,949,958	3,514,292

8. Note to changes in profit:

MB's consolidate profit after tax in the 1st quarter of 2025 compared to the 1st quarter of 2024 increased **2,050,663** VND million, equivalent to **44.35%** due to the following reasons:

Items with significant changes	Amount VND million
Profit increases due to net interest income	2,629,891
Profit increases due net fee and commission income	290,215
Profit increases due to net gain from trading of foreign currencies	76,317
Profit decreases due to net gain from securities held for trading	(796,069)
Profit increases due to net gain from securities investment securities and long-term investments	292,371
Profit increases due to net gain from other activities	814,762
Profit decreases due to income from capital contribution, share acquisition	(1,486)
Profit decreases due to operating expenses	(435,666)
Profit decreases due to provision expenses	(279,319)
Profit decreases due to corporate income tax expenses	(540,351)
Total impact to profit after tax	2,050,663

9. Provision made/(reserved) for credit losses

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Provision made/(reserved) for loan to customers	2,973,316	2,743,855
Provision made/(reserved) for loan to credit institutions	76	1,741
Provision made/(reserved) for purchased debt	24,681	(15,062)
Provision made/(reserved) for other risks	(11,763)	(23,424)
Provision made/(reserved) for commitments	104	(15)
	2,986,414	2,707,095

10. Tax and obligations to the State Budget

	VND million			
	Movements during the period			
	Opening balance	Amount payable	Amount paid	Closing balance
Value added tax	118,529	210,606	(239,245)	89,890
Corporate income tax	3,200,018	1,709,853	(3,213,906)	1,695,965
Other taxes	255,662	729,726	(867,731)	117,657
	3,574,209	2,650,185	(4,320,882)	1,903,512

11. Current corporate income tax

11.1 Tax expense

	From 01 January 2025 to 31 March 2025 VND million	From 01 January 2024 to 31 March 2024 VND million
Current corporate income tax	1,708,859	1,172,141
Current corporate income tax	1,708,859	1,172,141
Expense/(income) of deferred income tax	2,587	(1,046)
Expense/(income) of deferred income tax	2,587	(1,046)
Corporate income tax expense	1,711,446	1,171,095

11.2 Corporate Income Tax

The MB is obligated to pay corporate income tax of 20% on the total taxable profits:

	31/03/2025 VND million	31/03/2024 VND million
Consolidate profit before tax	8,386,325	5,795,311
Adjusted for:		
- Non-taxable income (including dividend, profits from subsidiaries, non-taxable consolidation adjust entries) and others	(706,432)	(545,334)
- Non-deductible bank's expenses	11,536	556
Estimated taxable bank's income in Vietnam	7,691,429	5,250,533
Current corporate income tax (20%) of the Bank (i)	1,538,286	1,050,106
Adjustments during the year for current income tax of prior years (ii)	14,533	-
Corporate income tax of foreign branches (iii)	1,854	1,456
Corporate income tax of subsidiaries (iv)	154,186	120,579
Reversal of deferred tax of subsidiaries (v)	2,587	(1,046)
Corporate income tax expenses (i+ii+iii+iv+v)	1,711,446	1,171,095

12. Cash and cash equivalent

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

	31/03/2025 VND million	31/12/2024 VND million
Cash and cash equivalent on hand	4,223,983	3,349,166
Balances with the State Bank	15,504,336	29,803,270
Placements with other credit institutions with original term of 3 months or less	53,258,553	63,887,837
	72,986,872	97,040,273

V- Other information

1. Off-balance sheet items

Items	31/03/2025 VND million	31/12/2024 VND million
Credit guarantees	237,595	238,395
Foreign exchange commitments	404,631,121	263,133,210
+ Foreign exchange commitments - buy	2,647,481	4,416,403
+ Foreign exchange commitments - sell	2,017,931	4,492,239
+ Cross currency swap contracts - buy	200,339,464	127,747,604
+ Cross currency swap contract - sell	199,626,245	126,476,964
Letters of credit commitments	27,851,432	29,138,440
Other guarantees	132,304,112	135,649,614
Other commitments	105,315,671	72,142,229

Contingent liabilities and commitments

In the course of its business, MB performs financial instruments related to items other than the Consolidate statement of financial position. These financial instruments mainly include guarantees of guarantees and letters of credit. These instruments also create credit risks for MB 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 MB when one of the parties related to such financial instrument fails to perform the terms of the contract.

Financial guarantees are conditional commitments that MB 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 MB 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 MB as a mandatory loan and the corresponding liability represents MB'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 MB.

2. Related party transactions

During normal business operation, MB has undertaken transactions with other parties to which MB 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 MB if:

- (a) Directly or indirectly through one or more intermediaries, the party:
 - ▶ controls, is controlled by or is under general control of MB (including parents and subsidiaries);
 - ▶ has contributed capital (owning 5% or more of the charter capital or voting share capital) in MB that give it significant influence over MB;
 - ▶ has joint control over MB.
- (b) The party is a joint venture in which MB is a venture or an associate (owning 11% or more of the charter capital or voting share capital, but not a subsidiary of MB);
- (c) The party has a member who is key personnel of the Board of Directors or the Board of Management of MB;
- (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 MB with major shareholders as follow:

Transaction type	31/03/2025 VND million	31/12/2024 VND million
Deposits at MB	35,749,490	40,239,944
	35,749,490	40,239,944

MB 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 MB's salary regulations.

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	789,700,726	719,811,983	27,851,432	253,192,983
Overseas	7,835,989	2,810,467	-	57,751

4. Consolidated segment reporting

4.1 Consolidated segment reporting according to geographical segment

31 March 2025	North VND million	Central VND million	South VND million	Other regions VND million	Net off VND million	Total VND million
Assets	803,567,528	58,900,356	308,981,126	11,302,841	(25,834,656)	1,156,917,195
Liabilities	675,273,076	58,432,038	307,654,273	9,272,742	(17,391,482)	1,033,240,647
Fixed asset	4,900,117	52,985	158,534	270,123	-	5,381,759
Income	39,179,428	1,904,133	9,902,501	366,380	(24,716,118)	26,636,324
Expenses	33,149,631	1,317,417	8,146,081	352,988	(24,716,118)	18,249,999
Profit before tax	6,029,797	586,716	1,756,420	13,392	-	8,386,325
31 December 2024	North VND million	Central VND million	South VND million	Other regions VND million	Net off VND million	Total VND million
Assets	790,548,293	55,154,822	302,676,568	10,607,399	(30,186,020)	1,128,801,062
Liabilities	671,599,607	53,988,389	299,554,504	8,540,935	(21,941,954)	1,011,741,481
Fixed assets	4,992,952	47,907	153,716	235,841	-	5,430,416
Income	151,246,693	6,036,328	32,864,214	1,048,882	(89,732,438)	101,463,679
Expenses	128,107,117	4,575,272	28,661,453	1,022,947	(89,732,438)	72,634,351
Profit before tax	23,139,576	1,461,056	4,202,761	25,935	-	28,829,328

4.2 Consolidated report by business sector

31 March 2025	Finance and banking VND million	Securities and Fund management VND million	Insurance VND million	Asset & Liability management VND million	Net off VND million	Total VND million
Assets	1,133,778,293	23,009,541	23,871,360	2,092,657	(25,834,656)	1,156,917,195
Liabilities	1,015,218,990	15,237,318	19,391,195	784,626	(17,391,482)	1,033,240,647
Fixed assets	4,860,596	164,456	308,390	48,317	-	5,381,759
Income	47,870,059	690,037	2,406,131	386,215	(24,716,118)	26,636,324
Expenses	40,155,658	362,268	2,256,540	191,651	(24,716,118)	18,249,999
Profit before tax	7,714,401	327,769	149,591	194,564	-	8,386,325

31 December 2024	Finance and banking VND million	Securities and Fund management VND million	Insurance VND million	Asset & Liability management VND million	Net off VND million	Total VND million
Assets	1,111,192,636	22,729,848	23,113,659	1,950,939	(30,186,020)	1,128,801,062
Liabilities	998,651,491	15,235,258	18,999,632	797,054	(21,941,954)	1,011,741,481
Fixed assets	4,858,929	166,443	353,749	51,295	-	5,430,416
Income	176,660,052	3,235,225	9,718,743	1,582,097	(89,732,438)	101,463,679
Expenses	149,873,546	2,257,157	9,302,437	933,649	(89,732,438)	72,634,351
Profit before tax	26,786,506	978,068	416,306	648,448	-	28,829,328

5. Risk management policies related to financial instruments

MB'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 MB gain necessary interest rate gaps. From the risk management perspective, MB 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, MB 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 MB's Consolidate statement of financial position would be able to protect MB from significant risks during its business processes and ensure liquidity. In addition, MB 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, MB has adopted the Credit Handbook which provides in details the lending policies and procedures as well as implementation guidance on standardisation of MB'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. MB 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 MB are executed by the Head Office. Such centralisation has also helped MB 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.

MB 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.

MB 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, MB's credit approval model has the participation of the Credit Council to ensure that credit approval activities are concentrated with the highest quality.

MB 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

MB'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 MB's assets and liabilities categorised by the contractual re-pricing period or maturity date and the effective interest rates as at the reporting date.

The interest rate re-pricing term is the remaining period from the date of preparation of the financial statements to the most recent interest repricing period of the assets and liabilities items.

The following assumptions and conditions have been adopted in the analysis of repricing period of interest rate of the assets and liabilities of MB:

- ▶ Cash, gold, and gemstones; deposit at the State banks; 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 into items with terms within one (1) month;
- ▶ The interest rate re-pricing term of investment securities and trading 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 actual maturity from the end of accounting period;
 - Items with floating interest rates: The effective interest rate re-pricing term is based on the latest interest rate re-pricing date from reporting date;
 - Investment securities and trading securities which are equity securities are classified as not affected by interest rate re-pricing.
- ▶ The interest rate re-pricing term of deposits and loans to credit institutions, loans to customers granted and trusted for granting; due from the Government and the State Bank; deposits and loans from credit institutions; customers' deposits; other borrowed and entrusted funds that credit institutions bear risks 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 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 March 2025 as follows:

Unit: VND million

	Overdue	Non-interest bearing	Interest re-pricing period				Over 1 year	Total
			Up to 1 month	From 1 – 3 months	From 3 – 6 months	From 6 – 12 months		
Assets								
Cash, gold and gemstones	-	4,223,983	-	-	-	-	-	4,223,983
Balances with the State Bank	-	15,521,984	-	-	-	-	-	15,521,984
Placements with and loans to other credit institutions (*)	-	-	48,427,910	5,950,509	1,726,335	4,993,842	3,245,950	64,344,546
Securities held for trading (*)	-	697,466	11,811,754	-	-	-	-	12,509,220
Derivatives and other financial assets	-	-	-	-	-	-	-	-
Loans to customers and debt purchase (*)	23,490,015	-	276,270,208	266,233,705	110,703,525	77,287,584	44,075,314	798,060,351
Investment securities (*)	2,094,996	-	13,868,622	31,786,230	44,003,481	44,254,711	104,733,474	240,741,514
Long-term investments (*)	-	820,760	-	-	-	-	-	820,760
Fixed assets	-	5,614,329	-	-	-	-	-	5,614,329
Other assets (*)	147,102	26,851,585	-	-	-	-	-	26,998,687
Total assets	25,732,113	53,730,107	350,378,494	303,970,444	156,433,341	126,536,137	152,054,738	1,168,835,374
Liabilities								
Due to the Government and SBV	-	-	5,494,421	-	-	-	-	5,494,421
Deposits and borrowings from other credit institutions	-	-	88,029,806	7,588,659	4,793,622	8,603,596	-	109,015,683
Customers deposits	-	-	383,884,404	130,900,035	113,719,828	81,643,840	12,474,343	722,622,450
Derivatives and other financial liabilities	-	-	1,454	244,659	35,842	132,186	112,002	526,143
Other borrowed and trusted funds	-	-	675,362	1,081,966	1,179,966	-	65,778	3,003,072
Valuable papers issued	-	-	8,084,454	22,407,107	30,683,722	23,791,135	61,630,696	146,597,114
Other liabilities (*)	-	45,980,601	-	-	-	-	-	45,980,601
Total liabilities	-	45,980,601	486,169,901	162,222,426	150,412,980	114,170,757	74,282,819	1,033,239,484
Interest sensitivity gap (on balance sheet items)	25,732,113	7,749,506	(135,791,407)	141,748,018	6,020,361	12,365,380	77,771,919	135,595,890

(*): 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. MB was incorporated and operates in Vietnam, with VND as its reporting currency. The major currency in which MB transacts is VND. MB's loans and advances to customers were mainly denominated in VND and USD. Some of MB's other assets are in currencies other than VND and USD. MB's management has set limits on positions by currency based on the internal risk assessment system of MB 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 March 2025 as follows:

Unit: VND million

	USD equivalent	EUR equivalent	Other currencies equivalent	Total
Assets				
Cash, gold and gemstones	403,320	45,252	66,548	515,120
Balances with the State Bank	3,252,952	1,101	187,247	3,441,300
Placements with and loans to other credit institutions	7,765,575	524,636	1,294,504	9,584,715
Derivatives and other financial assets	-	-	-	-
Loans to customers	47,010,955	-	1,076,709	48,087,664
Investment securities	-	-	57,751	57,751
Long-term investments	-	2,731	-	2,731
Fixed assets	266,039	-	4,084	270,123
Other assets	1,190,838	54,447	61,985	1,307,270
Total assets	59,889,679	628,167	2,748,828	63,266,674
Liabilities				
Deposits and borrowings from other credit institutions	19,985,459	59,244	854,329	20,899,032
Customer deposits	27,821,358	4,890,720	979,101	33,691,179
Derivatives and other financial liabilities	8,112,095	(3,145,201)	519,419	5,486,313
Other liabilities	2,520,681	24,704	117,011	2,662,396
Total liabilities	58,439,593	1,829,467	2,469,860	62,738,920
FX position on balance sheet	1,450,086	(1,201,300)	278,968	527,754
FX position off balance sheet	468,104	82,425	79,020	629,549
FX position on, off balance sheet	1,918,190	(1,118,875)	357,988	1,157,303

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.

MB 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 MB. MB also has a designated unit to obtain updated domestic and foreign economic information, which directly affects MB'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. MB 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 MB 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 MB'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 MB'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 March 2025 as follows:

Unit: VND million

	Overdue	Up to 1 month	From 1 – 3 months	Current From 3 – 12 months	From 1 – 5 years	Over 5 years	Total
Assets							
Cash, gold and gemstones	-	4,223,983	-	-	-	-	4,223,983
Balances with the State Bank	-	15,521,984	-	-	-	-	15,521,984
Placements with and loans to other credit institutions (*)	-	48,427,910	5,950,509	6,720,177	3,245,950	-	64,344,546
Securities held for trading (*)	-	12,509,220	-	-	-	-	12,509,220
Derivatives and other financial asset	-	-	-	-	-	-	-
Loans to customers and debt purchase (*)	23,490,015	46,524,526	149,605,287	271,168,826	160,189,570	147,082,127	798,060,351
Investment securities (*)	2,094,996	4,200,020	16,917,152	89,546,667	53,057,648	74,925,031	240,741,514
Long-term investments (*)	-	-	-	-	820,760	-	820,760
Fixed assets	-	-	-	-	5,614,329	-	5,614,329
Other assets (*)	147,102	24,383,432	150,393	2,083,396	227,674	6,690	26,998,687
Total assets	25,732,113	155,791,075	172,623,341	369,519,066	223,155,931	222,013,848	1,168,835,374
Liabilities							
Due to the Government and the SBV	-	5,494,421	-	-	-	-	5,494,421
Deposits and borrowings from other credit institutions	-	88,029,806	7,588,659	13,397,218	-	-	109,015,683
Customers deposits	-	383,884,404	130,900,035	195,363,668	12,455,063	19,280	722,622,450
Derivatives and other financial liabilities	-	1,455	244,659	168,028	112,001	-	526,143
Other borrowed and trusted fund	-	675,362	1,081,966	1,179,966	61,065	4,713	3,003,072
Valuable papers issued	-	8,084,454	22,407,107	54,474,857	46,331,908	15,298,788	146,597,114
Other liabilities (*)	-	45,470,586	242,879	232,472	34,664	-	45,980,601
Total liabilities	-	531,640,488	162,465,305	264,816,209	58,994,701	15,322,781	1,033,239,484
Net liquidity gap	25,732,113	(375,849,413)	10,158,036	104,702,857	164,161,230	206,691,067	135,595,890

(*): These items do not include provisions.

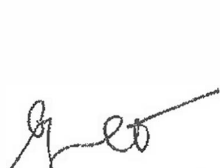
6. Exchange rates as at reporting date:

	31/03/2025 VND	31/12/2024 VND
USD	25,595.00	25,450.00
EUR	27,475.00	26,715.00
GBP	33,142.00	32,025.00
JPY	172.39	163.92
CHF	29,171.00	28,340.50
AUD	16,104.50	15,915.50
CAD	17,955.00	17,841.50
SGD	19,119.00	18,808.00
THB	760.71	752.87
SEK	2,388.87	2,324.87

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 April 2025